

JONI GRAY

Fourth District, Chair

SALUD CARBAJAL

First District

JANET WOLF

Second District

DOREEN FARR

Third District, Vice Chair

STEVE LAVAGNINO

Fifth District



**BOARD OF
SUPERVISORS**

County Administration
Building

105 East Anapamu Street

Santa Barbara, CA 93101

Telephone: (805) 568-2190

www.countyofsb.org

COUNTY OF SANTA BARBARA

October 4, 2011

The Honorable Lois Capps
U.S. House of Representatives
Washington, D.C. 20515

Dear Lois:

I have sent the attached letters to Chairman Camp and Ranking Member Levin of the House Ways and Means Committee on behalf of the Santa Barbara County Board of Supervisors to express their support for Congressman Herger's H.R. 674 that will repeal the requirement that Federal, State, and local government entities withhold three percent of their payments to most vendors and contractors beginning in 2012. The Board respectfully request that you co-sponsor H.R. 674

Please support H.R. 674 or similar legislation that will repeal the three percent withholding requirement.

Sincerely yours,

Thomas P. Walters
Washington Representative

TPW:sbm

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COUNTY OF SANTA BARBARA

October 4, 2011

The Honorable Dave Camp, Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

I am writing you on behalf of the Santa Barbara County Board of Supervisors to reiterate their support for H.R. 674, introduced by Congressman Herger (R-CA), which will repeal the imposition of withholding on certain payments made to vendors by government entities.

H.R. 674 will repeal of Section 511 of the Tax Increase and Reconciliation Act of 2005 (P.L. 109-222) which will require Federal, State, and local government entities to withhold three percent of their payments to most vendors and contractors beginning in 2012. This requirement will involve administrative efforts and costs with no return to the County. As an example of the scope of the administrative burden, during FY 2009-10, the County issued payments to 8,345 vendors totaling \$456,732,424. To withhold the required three percent on each payment will not only consume County labor and system resources, it could create a negative impact on the County's vendors, increasing costs and cause some of them, especially the smaller, local business to withdraw from doing business with the County. Further impact will be felt on the small to midrange business without large accounting staff who will find this one more piece of cumbersome "red tape" in doing business with government and move their efforts elsewhere. The small businesses are some of the County's best service providers, and provide employment for local residents who in turn spend their money in our County.

Please support H.R. 674 or similar legislation that will repeal this unfunded and burdensome mandate.

Sincerely yours,

Thomas P. Walters
Washington Representative

TPW:sbm

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COUNTY OF SANTA BARBARA

October 4, 2011

The Honorable Sander Levin
Ranking Minority Member
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

Dear Congressman Levin:

I am writing you on behalf of the Santa Barbara County Board of Supervisors to reiterate their support for H.R. 674, introduced by Congressman Herger (R-CA), which will repeal the imposition of withholding on certain payments made to vendors by government entities.

H.R. 674 will repeal of Section 511 of the Tax Increase and Reconciliation Act of 2005 (P.L. 109-222) which will require Federal, State, and local government entities to withhold three percent of their payments to most vendors and contractors beginning in 2012. This requirement will involve administrative efforts and costs with no return to the County. As an example of the scope of the administrative burden, during FY 2009-10, the County issued payments to 8,345 vendors totaling \$456,732,424. To withhold the required three percent on each payment will not only consume County labor and system resources, it could create a negative impact on the County's vendors, increasing costs and cause some of them, especially the smaller, local business to withdraw from doing business with the County. Further impact will be felt on the small to midrange business without large accounting staff who will find this one more piece of cumbersome "red tape" in doing business with government and move their efforts elsewhere. The small businesses are some of the County's best service providers, and provide employment for local residents who in turn spend their money in our County.

Please support H.R. 674 or similar legislation that will repeal this unfunded and burdensome mandate.

Sincerely yours,

Thomas P. Walters
Washington Representative

TPW:sbm