

**National Governors Association
National Conference of State Legislatures
The Council of State Governments
National Association of Counties
National League of Cities
The U.S. Conference of Mayors
International City/County Management Association**

December 2, 2010

The Honorable Harry Reid
Majority Leader
U.S. Senate
Washington, D.C. 2051

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington, D.C. 20515

The Honorable John Boehner
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Dear Majority Leader Reid, Senator McConnell, Madam Speaker, and Representative Boehner:

On behalf of the nation's state and local elected officials, we urge Congress to consider legislation requiring the federal government to pay local fees for stormwater management services before Congress adjourns. S. 3481 and H.R. 5724 would ensure the federal government pays its fair share of these federally imposed mandates.

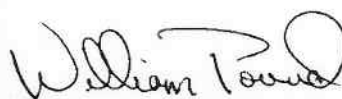
Section 313 of the Federal Water Pollution Control Act states, "Each department, agency of instrumentality...of the Federal Government... shall be subject to, and comply with, all Federal, State, interstate, and local requirements...including the payment of reasonable service charges." Unfortunately, many federal agencies have deemed stormwater management fees to be taxes that are subject to sovereign immunity claims and do not have to be paid. For example, this past September the Government Accountability Office (GAO) determined that federal facilities located in the District of Columbia could claim sovereign immunity and avoid paying locally-imposed stormwater management fees. Unless corrected, this interpretation will cost D.C.'s stormwater program approximately 20% or \$2.64 million annually.

GAO's and other agencies' interpretation that stormwater management fees are a tax is a distortion of Congress' intent in section 313 that will produce additional fiscal strains on local governments already suffering the effects of the recession. S. 3481 and H.R. 5724 would correct this problem and restore fiscal certainty to local stormwater programs. We strongly urge you to bring these bills up for consideration before the end of the year.

Sincerely,



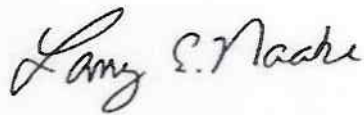
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