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**TIMOTHY P. MURRAY**  
LIEUTENANT GOVERNOR

January 19, 2012

The Honorable Max Baucus  
Chairman  
Committee on Finance  
U.S. Senate  
Washington, DC 20510

The Honorable Orrin Hatch  
Ranking Member  
Committee on Finance  
U.S. Senate  
Washington, DC 20510

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

The Honorable Sandy Levin  
Ranking Member  
Committee on Ways and Means  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairman Baucus, Ranking Member Hatch, Chairman Camp, and  
Ranking Member Levin:

I write to urge quick action to extend the payroll tax cut, federal funding for unemployment insurance benefits, and the Temporary Assistance for Needy Families (TANF) program. These policies currently provide significant economic benefits for Massachusetts. Nationally, market analysts have predicted that failure to extend these provisions through 2012 would reduce GDP, cost hundreds of thousands of jobs, and hinder the recovery of our still fragile economy.

The payroll tax cut should be extended through December and expanded to benefit all workers, regardless of their retirement program. The payroll tax cut currently provides tax relief to approximately 3.4 million individuals in Massachusetts and annually injects an additional \$2.8 billion

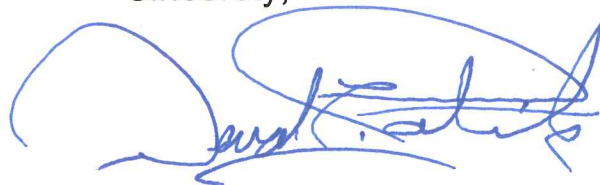
of disposable income into the Commonwealth's economy. Reports from last fall indicated that failure to extend the tax cut in its current form through 2012 would reduce 2012 GDP growth by as much as .6 percent and risk hundreds of thousands of jobs nationwide. Expanding the tax cut to include public servants, such as teachers and public safety officers, who are not social security beneficiaries because of their state or municipal retirement plans, would ensure that all otherwise eligible Massachusetts workers benefit from the tax cut. In total, this change would help close to 374,000 individuals and boost disposable income in Massachusetts by as much as \$300 million.

Additionally, current Emergency Unemployment Compensation and 100% federal funding of Extended Benefits should be continued, without amendment, through the end of 2012. Without an extension, approximately 40,000 individuals in Massachusetts currently collecting federal unemployment benefits would lose this important assistance by the beginning of April. Thereafter, up to 5,000 individuals would weekly exhaust all entitlement to these benefit programs. I strongly caution against adding new requirements that would make it more difficult or financially onerous for unemployed individuals to collect benefits that, for many, could be their only source of income. Provisions curtailing unemployment assistance would counteract what Moody's has described as the most effective form of economic stimulus over the past two years.

Finally, TANF should be extended at least through the end of the calendar year. Failure to extend TANF would cost Massachusetts \$390 million and jeopardize TANF benefits for over 52,000 families. At a time when many are struggling to regain their footing, a lapse in TANF's authorization would cost families important benefits – like child care, housing, and employment services assistance – which help them maximize their participation in the workforce.

The speed and success of our economic recovery depend, in large part, on the timely extension of these critical provisions. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to be "Mark Walcott", written over a horizontal line.

cc: The Honorable John Barrasso  
The Honorable Xavier Becerra  
The Honorable Kevin Brady  
The Honorable Benjamin Cardin  
The Honorable Robert Casey  
The Honorable Mike Crapo  
The Honorable Renee Ellmers  
The Honorable Nan Hayworth  
The Honorable Jon Kyl  
The Honorable Tom Price  
The Honorable Jack Reed  
The Honorable Tom Reed  
The Honorable Allyson Schwartz  
The Honorable Fred Upton  
The Honorable Chris Van Hollen  
The Honorable Greg Walden  
The Honorable Henry Waxman  
The Honorable John Kerry  
The Honorable Scott Brown  
The Honorable Ed Markey  
The Honorable Barney Frank  
The Honorable Richard Neal  
The Honorable John Olver  
The Honorable Jim McGovern  
The Honorable John F. Tierney  
The Honorable Michael Capuano  
The Honorable Stephen F. Lynch  
The Honorable Niki Tsongas  
The Honorable Bill Keating