

ANDY BARR  
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COMMITTEE ON FINANCIAL SERVICES

SUBCOMMITTEE ON FINANCIAL INSTITUTIONS  
AND CONSUMER CREDIT  
SUBCOMMITTEE ON OVERSIGHT  
AND INVESTIGATIONS



UNITED STATES  
HOUSE OF REPRESENTATIVES

December 20, 2013

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The Honorable Sylvia Burnwell  
Director  
U.S. Office of Management and Budget  
Washington, DC 20503

Dear Director Burnwell,

Thank you for allowing Ms. Kristen Sarri to take my call along with Representative McIntyre on Friday, December 13, regarding the Tobacco Transition Payment Program (TTPP). We appreciated the opportunity to convey the concerns of our constituents to the Office of Management and the Budget (OMB).

As we wrote in our letter on November 21, the TTPP was created through the American Jobs Creation Act of 2004. The law terminated federal tobacco quota and price support programs, and in exchange, compensated producers with annual, industry-generated payments over the course of a 10-year period. Payments to farmers began in 2005, and the final installment is expected in January 2014.

During the call, we discussed the following topics and questions about the implementation of sequester cuts to the Tobacco Trust Fund:

- The impact of the recently passed Bipartisan Budget Agreement on the Tobacco Trust Fund and whether it alleviated some of these proposed reductions.
- The treatment of the Tobacco Trust Fund under the Budget Control Act and whether the agreement allows these funds to be released.
- Why did sequester cuts not apply to last year's installment of TTPP, but were applied this year? Can the same exemption be made on this final installment?

At the conclusion of the conversation, Ms. Sarri ensured us that your office would follow up with our staff the following week with responses to the questions and items of concern we raised during the call. We appreciate her willingness to discuss these matters and the efforts of your office thus far. As previously stated in our initial letter, we have serious concerns about the implications of these proposed cuts and our hope is that OMB will reconsider this proposal.

Thank you again for your assistance and we look forward to your response.

Sincerely,

A handwritten signature in blue ink that reads "Andy Barr".

Andy Barr  
Member of Congress