

November 15, 2012

The President The White House Washington, DC 20500

The Honorable Harry Reid Majority Leader 221 Capitol Washington, DC 20510

The Honorable Mitch McConnell Republican Leader S208 Capitol Washington, DC 20510 The Honorable John A. Boehner Speaker H232 Capitol Washington, DC 20515

The Honorable Nancy Pelosi Democratic Leader H204 Capitol Washington, DC 20515

Dear President Obama and Congressional leaders:

The American Institute of Architects and its more than 80,000 members would like to express their support for continued efforts to avoid the "fiscal cliff."

The past few years have been devastating to the design and construction industry. The economic crisis, a lack of access to financing, and the meltdown in the mortgage and commercial real estate lending markets have led to unprecedented levels of layoffs and business failures. In fact, the architecture profession alone has lost 60,000 employees – nearly one quarter of our workforce – since 2008. Given that design and construction make up one in nine dollars in Gross Domestic Product, this industry is vital for the economy's continued recovery.

Although there are signs of improvement, failure to act on the fiscal cliff would bring that progress to a complete stop. An AIA analysis released in October showed that the budget sequester scheduled to take place in January would reduce federal investments in design and construction by more than \$2 billion, with a potential job loss of an additional 60,000 workers across the design and construction industry. Tax increases on thousands of architecture firms, most of which are small businesses, and their employees and clients would cripple the ability of our profession to create jobs and grow the economy.

The AIA agrees that difficult decisions need to be made in order to reduce the deficit, and architects and their allies are committed to doing their part. Indeed, any solution to the fiscal cliff may necessitate reductions in federal design and construction budgets.

However, the indiscriminate nature of the sequester is precisely the wrong way to go. A large portion of agency facility budgets is devoted to repairs, maintenance and retrofits. If those funds are cut, the need does not go away. In fact, cutting these budgets by such a sizable amount will most certainly cost taxpayers more in the long run, as problems get worse and the price tag for repairs rises.

Therefore, we urge Congress and the White House to address the fiscal cliff in ways that do not disproportionately impact the already struggling design and construction industry, and which will end up costing taxpayers more due to deferred maintenance and repairs.

We look forward to working with you to address the nation's ongoing challenges.

Sincerely,



Jeffery Potter, FAIA 2012 President

cc: Members of the Senate and House