

LOUDERMILK BALANCED BUDGET AMENDMENT

According to a 2011 CNN poll, 74% of Americans favor a balanced budget amendment to the U.S. Constitution

Why is a Balanced Budget Amendment needed?

Our national debt is rapidly approaching \$20 trillion, and with the Congressional Budget Office's (CBO) FY16 deficit projection recently being revised up to \$544 billion, our budget is headed in the wrong direction. It is time for Congress to find a long-term solution to the government's out of control spending.

The proposed balanced budget amendment to the U.S. Constitution would take effect in the 10th fiscal year after its ratification. This ten-year plan gives Congress the time it needs to get its financial house in order and come up with long-term solutions to tackling our out-of-control spending. If the CBO's revenue projections are accurate, the balanced budget amendment would require an average annual spending reduction of a manageable \$54 billion – or a 1.3 percent cut each year.

What would the Loudermilk Balanced Budget Amendment do?

- This Constitutional amendment would take effect in the tenth fiscal year after ratification, giving Congress and the economy an on-ramp to rein in spending.
- The BBA requires a two-thirds vote in each chamber of Congress to increase federal spending to more than 18% of GDP of the previous calendar year.
- The amendment requires a two-thirds vote in each chamber of Congress to levy a new tax, increase the rate of a tax, or raise the debt limit.
- These tough but fair budget provisions will force Congress to get serious about restraining government spending, and stop taking more and more money out of the economy to pay for its excessive spending habits.

“Instead of steamrolling American families with heavy tax and regulatory burdens every year, the federal government must change its reckless ways, and stop the vicious cycle of spending that risks our nation’s long-term fiscal stability and buries our next generation under an unsustainable mountain of debt”– Rep. Barry Loudermilk.

