

AMERICANS FOR PROSPERITY®

March 31, 2011

Dear Senator Hatch and Cosponsors,

On behalf of more than 1.7 million Americans for Prosperity (AFP) activists in all 50 states, I applaud you for proposing a balanced budget amendment to the United States Constitution that includes a strong limit on total federal spending. Over the past decade or so, it has become increasingly clear that unless there are firm constitutional guardrails to constrain federal spending elected officials are either unable or unwilling to overcome the institutional forces that facilitate endless profligacy. Your proposed amendment seeks to establish those guardrails in a responsible and, hopefully, effective way.

One of the most important provisions in your proposed amendment is a spending cap that would limit federal outlays to 18 percent of GDP. This limitation reflects a proper vision of limited government and the relationship of spending to GDP in the post-WWII period. Additionally, by insisting that spending is restrained in order to balance the budget you guard against the amendment being hijacked and distorted to advance economically-destructive tax increases.

Your amendment also strikes a balance between allowing flexibility for some deficit spending in times of national emergency, while requiring supermajorities in both chambers to do so. This assures citizens that the federal government will only run a deficit when there is a broad consensus that a genuine crisis demands it.

Several other provisions nicely round out your balanced budget amendment. Your insistence on two-thirds majority vote to approve tax increases or spending above 18 percent of GDP is laudable. Your measure to prohibit courts from legislating tax increases from the bench is important and prescient. Finally, a five-year transitional period from ratification to legal efficacy will give budgeteers enough notice to take meaningful action without the politically-contentious transition that could otherwise be used as a pretext to oppose the amendment.

While it is always difficult to predict how the Judicial Branch will interpret any portion of the Constitution, the mere presence of a balanced budget amendment will serve to compel the tough decision making that is often skirted in today's federal budget process. It's time for the federal government to balance its books, and AFP is proud to support your amendment. I urge your colleagues to support its passage and I look forward to working with you in the future.

Sincerely,



James Valvo
Director of Government Affairs
Americans for Prosperity

Americans for Prosperity (AFP) is a nationwide organization of citizen-leaders committed to advancing every individual's right to economic freedom and opportunity. AFP believes reducing the size and intrusiveness of government is the best way to promote individual productivity and prosperity for all Americans. AFP educates and engages citizens to support restraining state and federal government growth and returning government to its constitutional limits. AFP is more than 1.7 million activists strong, with activists in all 50 states. AFP has 32 state chapters and affiliates. More than 70,000 Americans in all 50 states have made a financial contribution to AFP or AFP Foundation. For more information, visit www.americansforprosperity.org. Americans for Prosperity does not support or oppose candidates for public office.

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