

## Opinion-Editorial



# TO MEND AMERICA, THE CONSTITUTION NEEDS A BALANCED BUDGET AMENDMENT

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By State Senator Florence Shapiro &  
State Representative Brandon Creighton

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*An Opinion-Editorial by:*

*State Senator Florence Shapiro & State Representative Brandon Creighton*

As the debate over federal debt and spending continues, it is abundantly clear that America needs a permanent, long-term solution to break the cycle of debt that plagues our nation. A federal balanced budget amendment to the United States Constitution is an immediate priority to take our nation off of our current fast-track to fiscal ruin. We hope Congress does not shirk its responsibility or shrink from the challenge: let the people vote on a balanced budget amendment.

While federal deficit spending has been a problem for decades, the last decade has seen extraordinary growth in federal spending on new and expanded programs: \$4.087 trillion in new domestic federal spending since 2001, including:

- Creation of the Department of Homeland Security: \$50 billion per year.
- Medicare Prescription Drug Benefit: \$720 billion over ten years.
- Economic Stimulus Act of 2008: \$150 billion.
- Emergency Economic Stabilization Act of 2008: \$700 billion.
- American Recovery and Reinvestment Act of 2009: \$787 billion.
- Federal health care reform: \$1.33 trillion over ten years.

As a result of unprecedented and reckless federal spending, President Obama signed the second national debt extension of his presidency on February 12, 2010, increasing the ceiling on the debt to \$14.294 trillion. Congress again increased the limit on August 2, 2011, and as of August 5, the U.S. national debt subject to the newly-raised limit is in excess of \$14.5 trillion dollars. By comparison, U.S. Gross Domestic Product is just over \$15 trillion as of the second quarter of 2011, meaning our national debt is a shocking 96 percent of our economic output. In a June 29, 2011 letter, Treasury Secretary Timothy Geithner admits the extent to which our nation is addicted to debt, noting that "the United States is now required to borrow roughly 40 cents for every dollar of expenditures."

The dangers of federal profligacy are very real. At risk: creditors' trust in the United States' ability and willingness to repay debts; our bond rating, which affects the interest rates paid by taxpayers on government bonds (one rating agency, Standard & Poor's, recently downgraded the U.S.); and the future generations of Americans who will have to either repay our almost unthinkable debt, or face a world which will not loan the United States money. It's a frightening prospect, but nations can and do go bankrupt. Greece is a pertinent example.



To avoid the stark prospects of default and bankruptcy, a balanced budget amendment will mandate a fiscally responsible outcome from a political process that facilitates deficit spending based on the demands and desires of interest groups, lobbyists, bureaucrats, program beneficiaries, and those who believe that the government has some inherent first bite at the fruits of the labors of hard-working American men and women.

This is the same measure by which we hold state government accountable and responsible. Texas has a constitutional spending limit, which has served our state well by requiring fiscal responsibility and respect for taxpayers. Our constitutional limit on state appropriations directly prohibits deficit spending: "In no case shall appropriations exceed revenues," reads the Texas Constitution.

Texas' relative economic strength through the national recession is a testament to the strength of our state balanced budget requirement. Given our state's positive experience with a balanced budget requirement, the Texas Legislature recently passed HCR 18, which urges Congress to "propose and submit to the states for ratification an amendment to the United States Constitution to provide for a federal balanced budget." As authors of the resolution, we hope Congress will act expeditiously to allow the states to ratify a balanced budget amendment.

Our nation is at a critical juncture. The status quo of government spending and debt is unsustainable, and is antithetical to the principles of limited government and individual liberty. We respectfully urge the U.S. Congress to renew its effort to pass and submit to the states a balanced budget amendment to the U.S. Constitution, and we look forward to the opportunity to vote to ratify the amendment.

*State Senator Florence Shapiro (R-Plano) and State Representative Brandon Creighton (R-Conroe) each authored resolutions in the 82nd Texas Legislature to urge Congress to pass a balanced budget amendment. A balanced budget amendment remains a top priority of the Texas Conservative Coalition Research Institute (TCCRI), an Austin-based public policy research foundation.*

