

AFL-CIO

LEGISLATIVE ALERT

April 10, 2018

Dear Representative:

On behalf of the AFL-CIO, I am writing to express strong opposition to the constitutional balanced budget amendment (H.J. Res. 2) introduced by Rep. Goodlatte and scheduled for floor consideration later this week. H.J. Res. 2 would prohibit federal outlays from exceeding receipts, require a three-fifths vote to increase the public debt limit, and direct the President to submit a balanced budget annually to Congress.

Proposing a balanced budget amendment after enacting a tax cut that will increase the debt by almost \$2 trillion dollars and an omnibus appropriation bill that will further add to our nation's debt proves that in Washington, D.C. hypocrisy knows no bounds. The truth is that the proponents of H.J. Res 2 are not motivated by deficit concerns; rather, they are using a deficit they created to force severe budget cuts in programs that will harm the most vulnerable among us, especially seniors, children, veterans and people with disabilities, as well as slash funding for public health and safety, education and medical research.

According to the Center on Budget and Policy Priorities, if a balanced budget amendment were in place in 2019, when revenue are projected to be 16.5 percent of GDP, federal programs would have to be cut by an average of more than 25 percent. A balanced budget amendment would result in massive cuts to Social Security, Medicare, Medicaid, and other essential programs.

The legislation would make it impossible to make the kind of public investments we need to compete in a global economy— other nations are rapidly outpacing the U.S. by investing in education, infrastructure, and green jobs. In addition, a federal balanced budget amendment would not allow any flexibility to respond appropriately to sudden changes in the economy, natural disasters, or national security threats. Moreover, the requirement of a three-fifths vote to increase the debt ceiling would elevate the risk of a federal default that could raise interest rates and damage the U.S. economy.

For the above reasons, the AFL-CIO urges you to vote no on H.J. Res. 2 and any other balanced budget amendment to the U.S. Constitution.

Sincerely,



William Samuel, Director
GOVERNMENT AFFAIRS DEPARTMENT