**Balanced Budget Act**

Our national debt continues to climb higher and higher. This is a major stain on our nation. If we do not get this under control, we will eventually get to a point where it will be impossible to reverse. At that point, the only option will be to declare bankruptcy. The devastating impact would make the Great Depression look like a hiccup. Considering we, as a nation, lead the world in economics, the resulting catastrophe would sweep the globe. We have a responsibility to our citizens, our future generations of citizens, and to the world to exercise financial restraint and be excellent stewards of the taxpayers money.

It is time to demand that Congress present an annual budget that is well within the means of its income. The Congressional Budget Office (CBO) projections for FY 2019 (as of January 28, 2019) projected that the United States would have $3.5 Trillion in “Revenues” (income), but have $4.4 Trillion in “Outlays” (Expenses), resulting in a Deficit of $897 Billion.[[1]](#footnote-1) This is utterly unacceptable!

We do not need a budget that is merely budgeted. We need a positive growth budget. Just like you do not budget for your household right down to the exact penny, the federal government should not either. We need a “buffer” to deal with all those “unexpected” expenses that creep up during the year. I believe that “buffer” should be 10% of the Expected Revenue. Let’s see how this would play out with the CBO projections for FY 2019, if the Balanced Budget Act was in effect:

Revenue: $3,500,000,000,000

Buffer: $ 350,000,000,000

Budget (Outlays) $3,150,000,000,000

There’s Congress’s limit - $3.15 Trillion! Period! Congress cannot go even 1 penny over that. But, how can they keep it under that amount? This is where the fun begins. When the initial budget is more than 90% of the Revenue, the difference is calculated. In this example, the CBO shows estimated Outlays as $4.4 Trillion. This would be $1.25 Trillion Excess. Congress will need to shave $1.25 Trillion. This is where the arguments begin and where things usually go horribly wrong. To prevent an impasse, we need an organized system to whittle it down.

Slash that figure in half to get the amount that EACH chamber (House and Senate) must slash from the budget. In our example, that would be $625 Billion from each chamber of Congress. We also must know the percentage of the members represented by each party in each chamber. Working with the 2019 numbers, the House has 235 Democrats (54.1%) and 199 Republicans (45.9%). This shows us how much the House Democrats will have to whittle from their preferred budget items (this means that stuff they wanted included in the budget). The Democrats have to cut 54.1% of the House’s $625 Billion Overspending, or $338.125 Billion. The Republicans would have to cut 45.9% of the House’s $625 Billion Overspending from their preferred budget items (the stuff they want), or $286.875 Billion.

The same calculations would happen for the Senate, so that Senate Democrats and Senate Republicans would each whittle away their preferred budget items based on their share of the Senate. The Senate would have to cut $625 Billion. Since there are 53 Republicans (53%) and 47 Democrats (2 of them are Independents that “caucus” with the Democrats) (47%), the Senate Republicans must cut 53% from their preferred items and Senate Democrats would have to cut 47% from their preferred items. For the Republicans that would be $331.25 Billion and for Democrats it would be $293.75 Billion.

$1.25 Trillion Excess Spending Proposed

House Democrats cut: 22.95% $338,125,000,000

House Republican cut: 27.05% $286,875,000,000

Senate Democrats cut: 23.50% $293,750,000,000

Senate Republicans cut: 26.50% $331,250,000,000

Total 100.00% $1,250,000,000,000

This gives a balance based on the equitable division of power in the House and Senate. This bill will also ensure that we, as a nation, live within our means. The “buffer” money that does not end up being needed, goes to pay down the principal on our national debt. Sometimes that may be most of the “buffer”. Sometimes there may not be much, if any, of the “buffer” left. But, this provides us a path to getting out of debt, or at the very least, stop the increase of our debt.

This bill will also require that the proposed cuts to the budget be completed within 14 days of the CBO’s determination of the Budget Excess. It’s time to stop the ranker in Congress. It’s time to buckle down and get the job done for the American people. No more Continuing Resolutions. No more “kicking the can down the road”. Members of Congress are getting paid very well. It’s time to EARN that pay and to act like mature grown-ups capable of handling the massive responsibility with which we are being entrusted!

1. Congressional Budget Office (CBO), <https://www.cbo.gov/topics/budget>, accessed February 2, 2019. [↑](#footnote-ref-1)