

“Think what you do when you run in debt; you give to another power over your liberty.”  
— Benjamin Franklin, Statesman

Over the past several months, I have spoken with many Nebraskans -- from Pawnee City to Emerson -- who have shared with me deep concerns about the fiscal health of our nation and the future we are leaving to our children.

While these concerns have surfaced most poignantly in light of the very costly health care legislation recently enacted into law, many Americans express a larger sense of unease about the federal government’s high levels of spending and the resulting public debt.

Clearly, these concerns are warranted. As a government, we are spending money we don’t have, and we have been doing so for some time. Since 2000, the national debt (now \$12.8 trillion) and government spending have doubled. In practical terms, that means every man, woman, and child in America owes \$41,779.

The blame spans across the political divide. The previous administration presided over a significant portion of the spending increase, in part due to the economic downturn after September 11, 2001, the costs of the Iraq and Afghanistan wars, and the damage caused by Hurricane Katrina, but spending levels have jumped at a record-breaking pace over the last year.

The spending continues. Since November 2008, the debt has increased by nearly \$2.3 trillion. Wall Street bailouts and stimulus spending bills have obligated taxpayers to a staggering level of liability in the name of economic recovery. Budget figures for 2011 project borrowing one-third of what we spend and running a \$1.26 trillion deficit. According to further government projections, the national debt will increase by 50 percent during President Obama’s term.

Everyday Americans, particularly children, are left holding the bill for potentially higher taxes, spiking inflation, and increased foreign ownership of our debt. China and Japan are now major holders of our privately held debt – Japan owns 12 percent and China 11 percent. Such indebtedness undermines national security as well as economic opportunity.

Structural reforms are needed to right our course. I believe we should start with three commonsense measures: requiring a balanced budget, allowing the President line-item veto power, and adopting a biennial budget. A balanced budget amendment, which I have cosponsored, would require the President to submit a balanced budget to Congress, that Congress not spend in excess of government revenues, and that a 3/5 majority vote must be cast to increase the debt limit. A constitutional amendment would force Congress to eliminate unnecessary and wasteful spending and eliminate the federal deficit. Most states, including Nebraska, have balanced budget requirements.

Second, restoring the line-item veto would allow the President to veto any limited tariff benefit or targeted tax benefit, or propose the repeal of any congressional earmark. The line-item veto

has not been used since a 1998 Supreme Court ruling requiring the President to approve or reject any bill in total. I support a legislative solution to restore this important budgeting tool.

Last year, I cosponsored the Biennial Budgeting Act, which requires the President to submit a two-year budget during the first session of Congress, changing the current practice of submitting a one-year budget at the beginning of each year. During the first session, Congress would produce a budget resolution and 12 appropriations bills to cover a two-year period. During the second session, Congress would consider any authorization or emergency spending bills, and would engage in oversight of federal agencies. This structural reform would encourage more discipline and strategic planning in the budgeting process.

These budget reforms, along with an understanding that the Main Street entrepreneur – not the Wall Street or Washington insider – will best bring about lasting economic recovery, can help set our nation back on a path to economic stability and fiscal responsibility.