

Testimony of Congressman Barry Loudermilk (GA-11)

House Judiciary Committee

Hearing: "The Need for the Balanced Budget Amendment"

July 27, 2017

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Thank you, Mr. Chairman. I appreciate you inviting me to this hearing and, more importantly, the committee's interest in this critically important topic.

I serve on the Financial Services Committee and, during our committee hearings; the Chairman displays a constant reminder of a looming crisis. On the monitor in the front of the committee room, the U.S. debt clock is constantly running - as our debt increases at an alarming pace. When I was campaigning for Congress just three years ago, the federal debt was at an atrocious \$17 trillion dollars. During a Financial Services Committee hearing earlier this week, I watched as the debt clock raced towards \$20 trillion at a pace of over \$10,000 per second.

Most Americans have a hard time grasping just how huge a \$20 trillion dollar debt really is. In fact, most of us in this room have a hard time putting in perspective how massive this financial obligation actually is.

I would like to put it in perspective using something everyone can relate to. Our modern calendar is based on the traditional observed birthdate of Jesus. Regardless of religious affiliation, if you know what the current date is, you have a general idea of when Jesus was born.

Using this common reference point, I calculated how much money you would have to save over this time period to pay off our debt. The results were astounding. If you were to start a savings account with \$17,000 starting at the moment of Jesus' birth, and deposited \$17,000 every minute - every 60 seconds - consistently to today, you still wouldn't have enough to pay off our national debt. That's \$17,000 every 60 seconds for over 2,017 years.

Not only is the principal on the debt overwhelming, but the interest on that debt is increasing it exponentially. We must address this crisis immediately or we will be overcome by the interest that will soon be one of the single largest expenditures in our budget. This is why Defense Secretary, James Mattis, stated in his confirmation hearing that our national debt is the biggest threat to our national security.

Since I have been in Congress, and for the past several years, Congress has attempted to address our debt and deficit spending through long-term budgeting. This year, as we have done in the past, we will bring to the floor a budget proposal that attempts to balance our budget within a ten year window. Our Fiscal Year 2018 budget addresses the fact that we cannot close this fiscal gap in one year, or even in five years - it requires a long term approach to balance federal revenues with federal spending. Unfortunately, we have been proposing the same course of action year after year, but we never get any closer to actually balancing the budget.

If history repeats itself, as it tends to do on Capitol Hill, I expect that next year we will, once again, be discussing a budget that balances within ten years.

If we are serious about securing the nation for future generations, we must take bold, but measured actions to rein in federal spending before rising interest rates drive it out of control.

In Fiscal Year 2010, Congress passed a budget that would balance by the year 2020; however, eight fiscal years later, we are not any closer to actually balancing our budget. In fact, as I have already stated, this year's budget proposes balancing the budget by the year 2028.

In the entitlement dependent culture of modern America, it will be increasingly more difficult to secure the votes needed to cut spending at the levels needed to put us on the path of fiscal responsibility. That's why it is imperative that we pass a balanced budget amendment - to force us to make these difficult decisions.

My balanced budget amendment, H.J.Res. 29, is built upon the premise that Congress can balance the budget within a ten year window - without major disruption of critical government services. My balanced budget amendment would take effect in the tenth fiscal year after ratification. This would force Congress to implement gradual cuts, over time, and reform costly government programs. It will also allow federal agencies, state governments and the nation as a whole adequate time to adjust to the leaner and more effective federal government.

With a clear and constitutionally mandated path for a fiscally sound government, we must also ensure future debt is only used for times of war or other national emergencies. H.J.Res. 29 forces fiscal responsibility by limiting spending to 18% of the previous year's GDP; however, with a two-thirds vote, Congress may exceed the 18% limit for one calendar year.

To ensure that the burden of fiscal irresponsibility of future Congresses is not solely placed on the backs of America's taxpayers, H.J.Res. 29 requires the vote of two-thirds of Congress to enact a new tax, or increase the rate of any existing tax.

Now is the time for Congress to take bold measures to avoid a pending fiscal catastrophe and stabilize our national economy for future generations. Prior to the financial crisis, our national debt was approximately 60% of our GDP. Today, our debt has grown to over 104% of GDP. We must put ourselves on a forward, but sustainable path to fiscal solvency.

H.J.Res. 29 uses the proven concept that Congress can balance the federal budget in ten years - and then forces us to follow through with that plan.

Again, thank you for giving me time to present this bill to the committee. I appreciate your interest.

Biography



Congressman Barry Loudermilk, a constitutional conservative, represents Georgia's 11th Congressional District, which includes all of Bartow and Cherokee counties as well as portions of Cobb and Fulton counties.

In the 115th Congress, Rep. Loudermilk serves as a member of three important U.S. House Committees: Financial Services, House Administration, and Science, Space, and Technology. Barry also serves on the steering committee for the Republican Study Committee (RSC), conservative caucus of the House Republicans.

Before being elected to Congress in 2014, Barry Loudermilk was a small business owner for over 20 years. He also served in the Georgia State House and Senate for over nine years.

A Georgia native, Rep. Loudermilk holds an Associate Degree in Telecommunications Technology, and a Bachelor of Science in Occupational Education and Information Systems Technology. He proudly served in the U.S. Air Force for eight years.

Loudermilk is the former owner of an information technology services business, and is an author, historian, and motivational speaker.

Barry and his wife Desiree have been married since 1983. They reside in northwest Georgia, and have three grown children and two grandchildren.