



# COALITION ON HUMAN NEEDS

1120 Connecticut Avenue, NW · Suite 312 · Washington, DC 20036 · 202.223.2532 · Fax 202.223.2538 · [www.chn.org](http://www.chn.org)

April 11, 2018

Dear Representative:

On behalf of the more than 100 national organizations making up the [Coalition on Human Needs](http://www.chn.org), we strongly urge you to vote NO on H.J. Res. 2, an amendment to the U.S. Constitution to require a balanced federal budget.

CHN's members represent millions of service providers, people of faith, policy experts, and labor, civil rights and other advocates concerned with helping low-income people and communities to rise out of poverty and join all Americans in contributing to and sharing in growing prosperity. We know that our prosperity depends on a strong federal government able to respond to need now and to invest in our future. Adding a requirement to balance the budget regardless of economic conditions or emergencies will weaken our government and our nation irretrievably. H.J. Res. 2 would require federal spending to be limited to revenues raised each year, without being able to tap previously accumulated reserves, as in Social Security, Medicare or federal retiree pension trust funds. While the requirement of balance could be waived in time of war, it could not be waived, except with a three-fifths majority, in an economic downturn, no matter how severe. This is grossly irresponsible and reckless. According to the respected economic analysts Macroeconomic Advisers, if a balanced budget requirement had been in effect in 2012, well after the official end of the Great Recession, it would have been "[catastrophic](#)" for the U.S. economy, with unemployment doubling from 9 to 18 percent and 15 million more people losing their jobs. Now, the federal government has the capacity to spend more in bad times, in order to sustain economic activity, preventing both hardship and job loss. If we choose to strangle our nation's capacity to respond, downturns will turn into recessions or depressions.

States borrow for capital expenditures; families borrow to purchase homes or college educations. The balanced budget amendment does not allow the federal government to borrow, placing a straitjacket on federal responsiveness far more stringent than limits on states. Further, the amendment would require a three-fifths vote of each chamber to raise the debt limit, which would threaten stability as Congress seeks to cope with existing debt. Such self-inflicted wounds would be a reckless act of ideology over evidence.

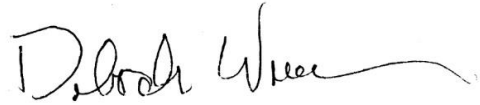
The evidence is that since the Great Depression, allowing deficit spending to stabilize the economy has resulted in [far fewer recessions](#) than in the decades before, when balancing the budget was common. From the 1850's to 1929, there were 2.8 recessions per decade. Since 1929, the average number of recessions dropped to 1.6 per decade. Economic expansion periods have also been far more prolonged in the post-Depression years (63 months on average as compared to 25 months in the decades before 1929).

Having just enacted a massive tax cut of \$1.8 trillion, including interest on the debt, Congress would, if it forced a balanced budget, pay for that tax cut by slashing services needed by every American who is not rich. That would include Social Security and Medicare. It would also include Medicaid, SNAP food

assistance, retiree benefits, assistance for people with disabilities, unemployment benefits, education, and protections against public health disasters. Raising revenue, while theoretically possible, would be very difficult. Tax cuts overwhelmingly favoring the wealthiest among us would be enshrined, paid for by truly massive cuts in everything government does.

Please vote NO on this or any other constitutional amendment to require a balanced federal budget. Such dangerously extreme proposals have no place in our Constitution.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Deborah Weinstein", with a long, sweeping horizontal line extending to the right.

Deborah Weinstein,  
Executive Director