

Special Report

from
State Representative

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HOUSE URGES FEDERAL FISCAL RESPONSIBILITY *Calls on Congress to Balance Budget and Reduce National Debt*

On Wednesday, the Tennessee House of Representatives took a firm stand for fiscal responsibility in government. By passing HJR 216, your state government sent a message to the U.S. Congress that deficit spending and a ballooning national debt are not acceptable.

Each year, the General Assembly in our great state passes a balanced budget, making sure expenditures do not exceed revenues. Common-sense principles of budgeting teach that to stay afloat you shouldn't spend more than you make. The federal government has forgotten this, and we believe it's time for them to return to accountable means of budgeting.

Our national debt is currently almost \$8 trillion, which is approximately 70 percent of the entire U.S. economy. Each day the debt grows by \$2 billion. To retire our debt, each citizen—man, woman and child—would have to write a check for \$26,388.58 payable to the U.S. Treasury. For a family of four, that amounts to a \$105,554.32 debt burden. Further, the massive annual interest payments alone on the U.S. debt are estimated to total over \$1.09 trillion between 2004 and 2008.

This is not a good position for our country to be in, and it is not something we can afford to let keep rising. The foreign policy of our great Nation should not be put in a position to be held hostage because our government financing is dependent on funds from foreign countries that oppose our policies. Each year that the government refuses to pass a balanced budget the debt grows more and more. It is time to revisit the policies of the previous administration and return to the days of fiscal conservatism.

At the end of this past century, the United States of America was enjoying record budget surpluses and, in 1999, for the first time in over 25 years, bought back U.S. Treasury bills, notes, and bonds to reduce our national debt. Since

2001, however, the United States Congress, at the request of the Bush Administration, has raised the debt ceiling limit annually to prevent financial default to the now unprecedented level of \$7,757,824,559,756.40. Today the United States is, by far, the largest debtor nation in the world and foreign countries, such as China and Japan, are purchasing our debt in record amounts.

To enjoy the freedoms that their forefathers fought and died for, our children and grandchildren should not inherit an America that has been mortgaged away. Congress must make a commitment to bring the federal budget back into balance.

Also this week...

On Wednesday, the House also passed a "Sales Tax Holiday." As approved by the House, during the first weekend in August 2006 there will be no sales tax imposed on the following items of tangible personal property: (1) Clothing with a sales price of one hundred dollars (\$100.00) or less per item; (2) School supplies with a sales price of one hundred dollars (\$100.00) or less per item; and (3) Computers with a sales price of one thousand five hundred dollars (\$1,500.00) or less per item. As amended, local governments will be held harmless.

This legislation offers much-needed relief to working families as they prepare their children for school next fall. I was pleased to support this important Sales Tax holiday for Tennessee citizens.

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