



March 4, 2010

To: Reps. Jeb Hensarling, Mike Pence and John Campbell, cc all Members of Congress
Re: Support for the Spending Limit Amendment

Dear Reps. Hensarling, Pence and Campbell:

We write in support of your Spending Limit Amendment.

It has become abundantly clear that the federal budget is on an unsustainable path with spending having increased to 24.7 percent of the economy. While this in itself is staggering in light of the fact that the historical average of post World War II federal spending has been hovering around 20 percent of GDP, this is just the tip of the proverbial iceberg. The outlook is much gloomier as federal spending is set to explode over the course of the next decades unless thoroughly overhauled.

Your amendment seeks to establish a national consensus over a necessary limit to the size and scope of government via a Constitutional amendment.

It remains debatable whether the optimal size of government lies at 20 percent of GDP or lower. However, limiting federal spending to no more than 20 percent relative to the size of the economy is not only crucial if we want to get our fiscal house in order, it is also a very attainable goal. In fact, according to historical data provided by the Congressional Budget Office (CBO), federal spending was kept around or under 20 percent of GDP in every year from 1996 to 2007.

While enforcing the Spending Limit Amendment will involve some tough choices, these are important choices to be made as our spending and debt crisis will not go away and most certainly cannot be solved by enacting damaging tax increases. The Spending Limit Amendment provides for a reasonable hard limit on the size and scope of government and would set the necessary parameters to force a serious national debate over how to rein in discretionary spending, and reform our nation's entitlement programs prudently and in a sustainable fashion.

Consequently, we urge your fellow Members of Congress to join you in your efforts to enact the Spending Limit Amendment.

Sincerely,

Grover Norquist
President
Americans for Tax Reform

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