

Dear Dean,

Thank you for contacting me to express your views on federal spending and the debt ceiling, specifically the Budget Control Act of 2011.

While I would have preferred that the legislation to raise the debt limit would have included deeper spending cuts, on August 2, 2011, I joined 73 colleagues from both sides of the aisle in support of the Budget Control Act of 2011. This will result in trillions in spending cuts with no new taxes and avoid default on the federal government's bills. It is just a first step that begins to address Washington's addiction to higher spending and dangerous levels of debt.

This legislation is the first time there has been deficit reduction as a condition of raising the existing debt ceiling and represents a long overdue change in the way Washington works. In 2009 and 2010, when I was meeting many of you while traveling across Ohio, Washington was debating about how big the stimulus bill and health care bill should be and what sectors of the economy the federal government would intrude upon next. Now, we're finally debating how much spending we can cut and what pro-growth reforms to energy, regulatory, tax and other policies can be put in place to spur private sector job growth.

I heard from many Ohioans about the Cut, Cap & Balance Act, which I was proud to support as an early cosponsor and to vote for on the Senate floor. I was frustrated when the Senate majority blocked this common-sense legislation. But that debate, along with the ongoing linkage to the debt limit, has helped turn the tide.

Increases in the debt limit used to be routine. In fact, for many years the House of Representatives did not even take a stand-alone vote to raise the debt limit, but rather employed the so-called Gephardt Rule to automatically increase the debt ceiling without a specific vote on the new debt level. As a result, the past decade saw the national debt soar from \$5.6 trillion to \$14.3 trillion with no significant deficit reduction bills attached to any of its ten debt limit increases. I believe we have also seen the effect of this irresponsible spending and growing government on our faltering economy, with 9.2% unemployment and almost no economic growth last quarter.

That era of increasing the government's borrowing authority without spending reductions is over. With this latest debt limit increase, Congress – at the wise suggestion of House Speaker John Boehner – adopted a new standard: that the bill raising the debt limit must also cut an equal amount of spending over the following decade. In this instance, rather than accede to President Obama's demand as recently as this spring for a "clean" debt limit increase with no spending restraint, Congress matched a \$2.4 trillion increase with at least \$2.4 trillion in spending savings over the decade.

Congress and the President must go further to respond to the fiscal crisis, but at a minimum, lawmakers should commit to making the "Dollar-for-Dollar" rule a permanent debt limit policy. Using Congressional Budget Office data, I have calculated that if Washington applies this standard every time it reaches the debt limit over the next ten years, we will balance the budget by 2021 without raising tax rates over current rates. That's nearly \$6 trillion in spending cuts over the decade. And because many of these spending reforms would necessarily carry over past 2021, the savings in the following decade would be even larger. If this framework was followed, starting in 2021 annual budget surpluses would end the era of debt limit increases. We could actually begin paying down the national debt, thereby strengthening our economic outlook and saving future generations from inheriting this unconscionable burden.

This deficit reduction agreement is just a first step, and as we move forward I want to let you know I'm standing strong to ensure the cuts agreed to in this legislation come to fruition so we're able to fundamentally change the trajectory of our debt and deficits. I'll also continue my fight against higher taxes because increasing the burden of taxation on the economy will further slow a weak recovery. Finally, the Congress must deal in a responsible way with the unsustainable entitlement programs that are driving a large part of our budget deficits.

Once again, thank you for taking the time to write. I am honored to represent you and the great state of Ohio in the United States Senate. For more information, please visit my website at www.portman.senate.gov, where you may also sign up for my newsletter. Please keep in touch. I'd like to hear your thoughts and concerns.

Sincerely,

Rob Portman
U.S. Senator