

wasteful spending to new heights, and its allies in Congress are all too quick to defend it. The last time the Senate voted on a balanced budget amendment, the government's annual deficit was about \$100 billion, the national debt was about \$5.5 trillion, and it failed by a single vote—a single vote. Today, the annual deficit is \$1.6 trillion, and the national debt is \$14.5 trillion.

The President and his party need to be held accountable. The fiscal mess they have helped create calls for rehab. That is what the balanced budget amendment would provide—a spending straitjacket. No more blank checks. If Democrats won't pass a budget of their own, it is time Americans impose a budget on them. Americans are not about to let Democrats use another crisis as an excuse to expand the size of government.

If ever there were a time for Washington to pass through a crisis and come out smaller on the other side, it is right now. Republicans are totally united in this effort. All we need is 20 Democrats to join us. Washington should be forced to make the kinds of difficult choices the rest of the country has to make. Lawmakers should have to make the case for a spending increase before they approve it. Never again can they just spend away and then demand in the teeth of a crisis that taxpayers cough up the money—as I said earlier, the taxpayer bailout.

It is time to put the American people back at the helm of our ship of state, and if that is what this vote achieves, then this debate we are having this summer will have been well worth it. If Washington is forced to finally reform its ways, then one day we will look back and say that the American people won this debate, and we will say the balanced budget amendment was just the thing we needed to get the house in order. Broke or balanced, that is the choice before us.

I look forward to this vote. The American people clearly want it. Let's hold Washington accountable, and let's begin to restore power to the people who sent us here not to do our own will but to carry out theirs. That is the principle at stake. It is about the kind of government we want to have—a government of the people or a government above the people. That is the choice. Much depends on the outcome.

Madam President, I yield the floor.

#### RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

#### MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will be in a period of morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each, with the time equally di-

vided and controlled between the two leaders or their designees, with Republicans controlling the first half and the majority controlling the second half.

The Senator from Utah.

Mr. HATCH. Madam President, I ask unanimous consent to engage in a colloquy with my Republican colleagues.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### BALANCED BUDGET AMENDMENT

Mr. HATCH. Madam President, today we are beginning what might prove one of the most consequential debates in American history. The American people are demanding that Congress debate and pass a balanced budget amendment to the Constitution. They are going to get that debate, and I am confident that if Congressmen and Senators listen to their constituents, the citizens of this Nation are going to have the opportunity to ratify a balanced budget amendment this year. All 47 Republican Members of the Senate are of one mind on the need for a balanced budget amendment to the Constitution. We have listened to our constituents who are pleading with us to take action that will permanently resolve our debt crisis and keep us from getting into this situation again.

The situation is a disaster. We all know the numbers: three straight trillion-dollar-plus deficits; \$14.5 trillion in debt and rising every day; \$62 trillion in total liability that this government owns. Since Democrats last passed a budget—that was over 790 days ago—our national debt has risen by \$3.2 trillion, and now the administration is asking for more.

We simply cannot do this anymore. Madam President, 100 percent of our tax revenues are spent on mandatory spending and interest on the debt. Every other penny is borrowed. The money is simply not there to finance a government of this size, and everyone knows this, although not everyone will admit it. They know deficit spending and skyrocketing debt have come to an end. Our Nation's current debt-to-GDP ratio is 95 percent. Countries with debt above 95 percent of GDP have growth that is 1 percent below normal, resulting in a loss of 1 million jobs. Our debt is a lead weight around the neck of the economy.

But in the current negotiations over the debt limit, the administration insists that it is Republicans who, by refusing to pass an increase of the debt limit that does not include meaningful efforts to address our fiscal situation, are holding back the economic recovery and undercutting the stock and bond markets. This has things exactly backward. The markets understand that our long-term deficit projections are moving toward a full-blown debt crisis. The markets understand that we are currently on the glidepath to Greece. The markets would respond like gangbusters to spending cuts,

and a balanced budget amendment that brings our long-term fiscal problems under control.

I am more convinced than ever that a balanced budget amendment to the Constitution is essential if we are to right our fiscal ship. This is not the first time we have been down this road, but the stakes could not be higher this time, and the amendment could not be better designed to address the crisis. Our amendment is not just an amendment for fiscal balance, it is an amendment that takes on the root cause of our current debt crisis; that is, government spending. Our amendment requires a balanced budget. It establishes a spending cap of 18 percent of GDP, and it establishes supermajority requirements for tax increases or future debt-limit increases.

We will hear a number of tired arguments against the BBA. Its opponents will say the amendment is not properly vetted. We have been talking about the balanced budget amendment for decades, and if we had passed it back in 1997, when it fell by 1 vote short of being sent to the States for ratification, we would not be in the mess we are in today.

They will say it stacks the deck by requiring spending cuts rather than tax increases to balance the budget. This is an issue I will address at length, but the American people understand the solution to a spending crisis is not to give the government more money to spend, especially this government.

They will say a balanced budget amendment is unnecessary and Congress just needs to do its job. But we have heard this over and over before, and the American people know that waiting for Congress to balance the budget and shrink the size of government without a constitutional amendment is less fruitful than waiting for Godot.

They will say the spending cuts required as a result of this BBA will hurt children and the elderly. But the real harm to our children will be when we hand them a future of national indebtedness and dim economic prospects, and the real harm to the elderly will be the coming bankruptcy of the Nation's entitlement programs—the guaranteed result of the President's failure to lead on entitlement reform.

Finally, they will say the Constitution should not be amended. I agree that it should not be amended lightly, but the Founders themselves expected that changing circumstances and national emergencies would demand amendments to the Constitution from time to time.

The American people understand that this is one of those times. In this country, the people are sovereign, the Constitution is their Constitution, and they are demanding that Congress pass a balanced budget amendment and send it to them and the States for ratification.

My hope is that the party of Thomas Jefferson will listen to their constituents and follow their founder's lead,