



May 15, 2018

## **Key Vote YES on the Penny Plan Balanced Budget, S.Con.Res. 36**

On behalf of FreedomWorks activists nationwide, I urge you to contact your senators and ask them to vote YES on the Penny Plan Balanced Budget, S.Con.Res. 36, introduced by Sen. Rand Paul (R-Ky.). This budget would provide the direly necessary framework to put the fiscal state of our country back in order by not only balancing the federal budget, but also making significant budget process reforms, as well as benefiting Americans' lives concretely by providing for expansion of health savings accounts that make healthcare more affordable.

Because Senate rules state that if no budget is reported out of the Budget Committee by April 1, any budget introduced will be placed directly on the calendar, Sen. Paul's budget introduced in April was placed directly on the calendar. The resolution is privileged and is therefore subject to a non-debatable motion to proceed on the Senate floor. This is the vote that Sen. Paul has lined up for Thursday. It will be a true indicator of those in the Senate who care to follow through on their campaign promises of fiscal responsibility and those for whom these are just talking points.

Sen. Paul's resolution would balance the federal budget in five years by assuming the repeal of the 2018 Bipartisan Budget Act and from there cutting total outlays by one penny for every dollar spent, continuing for the next five years. At this point, the budget would be fully balanced and spending would be allowed to grow at one percent thereafter. Doing so would reduce spending by \$404.8 billion in fiscal year 2019 and by \$13.35 trillion over ten years relative to the baseline under current law.

Of substantial note in this resolution is that it does not make any specific policy assumptions of where the one percent spending cuts will come from, but leaves fully up to Congress, using the tools they already have, to find the savings necessary. Therefore, no one can rightfully claim that those who vote for this resolution voted to cut any particular program that may cause backlash from any direction.

It is also important to note that this resolution addresses the process that has gotten our country to a position where we are \$21 trillion in total debt and have a debt held by the public rapidly approaching the size of the entire economy. It would rectify some of the many wrongs of the current budget and appropriations process within the scope that a budget resolution may. This includes providing reconciliation instructions to each committee as was the intention of reconciliation and making spending levels of the corresponding year of the most recently passed budget enforceable in years during which Congress does not adopt a budget.

Most notably, the resolution would create significant safeguards against passing an omnibus like the \$1.3 trillion Consolidated Appropriations Act from March by creating a budget point of order against any piece of legislation that contains funding for more than three of the twelve appropriations bills that are meant to be considered separately and raising the threshold to waive budget points of order from 60 votes to 63 votes. Additional points of order would be created for unauthorized programs, excess funding for authorized programs, and new duplications.

Finally, the resolution would provide reconciliation instructions for the Senate Finance Committee to expand health savings accounts (HSAs), which is a priority of conservative legislators. Expansion would both increase the contribution limit and allow Americans to pay for more health costs with their HSAs. This includes payment of premiums and expansion of eligible disbursements to include supplements, over-the-counter medication, and other activities that promote wellness.

Overall, this budget -- besides being the only budget introduced in the Senate -- carries out multiple conservative promises, most notably balancing the federal budget and righting our fiscal state through process reforms. Taxpayers pay the price for federal borrowing and spending, and they deserve a solution to the looming fiscal crisis that will come down squarely on their shoulders if Congress fails to act. Sen. Paul's budget would set a path to a real solution.

FreedomWorks will count the vote for the Penny Plan Balanced Budget, S.Con.Res. 36, on our 2018 Congressional Scorecard. The scorecard is used to determine eligibility for the FreedomFighter Award, which recognizes Members of the House and Senate who consistently vote to support economic freedom and individual liberty.

Sincerely,

A handwritten signature in black ink, appearing to read 'Adam Brandon', with a stylized, flowing script.

Adam Brandon  
President, FreedomWorks