

By Kevin McCarthy July 22, 2011 [Link](#)

As we draw closer to the August 2nd deadline to raise the debt limit, the debate in Washington is gaining in intensity. Currently, there is only one plan that has passed either legislative body: the Cut, Cap and Balance Act. This is the only legislation that has bipartisan support, the only legislation that has passed the House and the only legislation that would tackle our exploding deficits and prevent an impending debt crisis. With Democrats failing to present a detailed plan of their own and the Senate's "Gang of Six" proposal still lacking legislative detail, the Cut, Cap and Balance Act represents a real solution.

In a nutshell, the Cut, Cap and Balance Act fundamentally reforms Washington's spending structure so we can get and keep our nation's fiscal house in order while granting the President's request for an increase in the debt limit. Specifically, this legislation cuts spending by around \$5.8 trillion over ten years; caps spending to

bring the size of government back below 20 percent of GDP to its average level over the last 30 years; and, through a Balanced Budget Amendment, mandates that the federal government pass a balanced budget every year. Currently, 49 states have some form of balanced budget requirement, and it just makes sense that the federal government should have to live within its means as well.

Today marks 814 days since Senate Democrats produced a budget and our unemployment rate has risen to 9.2 percent. In the past two years, discretionary spending has increased by 84 percent and our debt has grown by over \$3.5 trillion. No family or small business in Bakersfield, or anywhere for that matter, would ever budget like this, and the federal government cannot. The top three credit ratings companies – Moody's, S&P, and Fitch - have all warned that our credit rating is in jeopardy. In the face of this impending crisis, the Senate voted to table the only credible plan out there and the President has still failed to step up to the plate with a tangible way forward.

My colleagues and I in the House are hard at work trying to get our country back on the right track. Our federal government requires fundamental changes that include serious spending cuts and budgetary reforms, and this crisis provides an opportunity to implement those changes. Our nation simply cannot continue to borrow and spend like it has been doing and expect to

continue to be the world's leading economy. The state of our economy, and the future of our children and grandchildren, depend on us getting this done and getting it done right. While the debate will continue, I am optimistic that we can use this as an opportunity to turn the trajectory of our nation around onto a path to fiscal stability and prosperity.