



WASHINGTON BUREAU · NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE

1156 15TH STREET, NW SUITE 915 · WASHINGTON, DC 20005 · P (202) 463-2940 · F (202) 463-2953

E-MAIL: WASHINGTONBUREAU@NAACPNET.ORG · WEB ADDRESS WWW.NAACP.ORG

April 6, 2018

The Honorable
United States House of Representatives
Washington, D.C. 20515

**RE: NAACP STRONG OPPOSITION TO A SO-CALLED BALANCED BUDGET
AMENDMENT TO THE U.S. CONSTITUTION**

Dear Representative:

On behalf of the NAACP, our nation's oldest, largest and most widely-recognized grassroots-based civil rights organization, I strongly urge you to oppose and vote against a balanced budget amendment to the U.S. Constitution (BBA). A BBA is bad policy and would be catastrophic to the economy of the United States.

In light of our growing national deficit, which has been exacerbated by the enactment, late last year of massive tax reform legislation which has been estimated to cost the United States more than \$1.5 trillion over the next ten years in lost revenue. It has become clear that we as a Nation must reexamine every aspect of our federal budget. Hard choices must be made about spending and taxes. Rather than focus on distracting gimmicks such as a so-called BBA which could prove detrimental to our national economy and our Nation's people, we should be seeking long-term common-sense solutions which will protect all Americans while adding an agenda of American prosperity.

A BBA would be dangerous to our national economy. By limiting the federal government's ability to respond to economic turmoil, a constitutional amendment could weaken the economy by hastening and / or deepening recessions. This would be especially harmful to racial and ethnic minorities and many others, since we are traditionally much more adversely affected by any economic transition or downturn. A BBA would also limit or eliminate public investments with long-term payoffs.

A BBA would also undercut the structure of Social Security, Medicare, and other such funds. The balanced budget amendment prohibits Social Security, Medicare Part A, the FDIC, the military and civil service retirement funds, and other funds from using their accumulated reserves. That's because the BBA prohibits expenditures from exceeding revenues collected *in that year*. The \$2.9 trillion in Treasury securities held by Social Security would not be available to help pay benefits to the baby boomers in retirement since almost all of it was collected in prior years.

On behalf of the NAACP I pledge that we will work with you as you consider all options to ensure that the federal government is still able to meet the basic needs of all of her citizens and foster national growth while still putting forth a responsible federal budget. Thank you in advance for your attention to the NAACP position. Should you have any questions or comments, please do not hesitate to contact me at my office at (202) 463-2940.

Sincerely,

A handwritten signature in black ink, appearing to read "Hilary O. Shelton". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Hilary O. Shelton
Director, NAACP Washington Bureau &
Senior Vice President for Policy and Advocacy