



## Action Alert

### A Publication of CNP Action, Inc.

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#### **Budgeting for Future Default**

Congress is now considering President Obama's \$3.6 trillion budget that spends too much, borrows too much, and taxes too much.<sup>1</sup> The sheer size of this budget puts our country on the path to bankruptcy by doubling the size of the national debt in five years and tripling it in ten. Senator Judd Gregg, Obama's one-time nominee for Commerce Secretary said: "The purpose of this budget is to dramatically expand the size of government, and in the process, it dramatically expands the burden of government, and the debt burden, specifically."<sup>2</sup>

To pay for this massive spending spree, the government must raise taxes or borrow more money, or both. We do know that Obama hopes to raise the top income tax bracket from 35% to 39.6%, but even that increase won't come close to raising the money needed to cover the shortfall.<sup>3</sup> Therefore, the President must either break a campaign promise by raising taxes on all Americans or borrow more money from overseas, breaking his promise to cut the deficit in half. Of course, he may do both.

In addition to its obvious unaffordability, the budget includes the framework for universal healthcare and a job-killing cap and trade (tax) scheme.<sup>4</sup> While these issues are a priority for the President and many in Congress, the budget is not the place to push an ideologically-driven agenda. Let's raise the alarm and inform our networks and constituents of the dangers posed by doubling our national debt, expanding government, and raising taxes.

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<sup>1</sup> Earle, Geoff. "\$1T in Taxes Is Hell to Pay". *New York Post*. 27 February 2009.  
[http://www.nypost.com/seven/02272009/news/politics/1t\\_in\\_taxes\\_is\\_hell\\_to\\_pay\\_157199.htm](http://www.nypost.com/seven/02272009/news/politics/1t_in_taxes_is_hell_to_pay_157199.htm).

<sup>2</sup> "Sen. Gregg on Obama Budget Consequences". *Fox News Channel*. 25 March 2009.  
[http://www.foxnews.com/printer\\_friendly\\_story/0,3566,510505,00.html](http://www.foxnews.com/printer_friendly_story/0,3566,510505,00.html).

<sup>3</sup> "The 2% Illusion". *The Wall Street Journal*. 27 February 2009.  
<http://online.wsj.com/article/SB123561551065378405.html>.

<sup>4</sup> Alarkon, Walter. "House budget advances on party-line vote". 26 March 2009. *The Hill*.  
[http://thehill.com/index2.php?option=com\\_content&task=view&id=80980&pop=1&page=0](http://thehill.com/index2.php?option=com_content&task=view&id=80980&pop=1&page=0).

## **ACTION ITEMS**

- 1) **Call your elected officials to oppose the budget. Their contact information can be found at [www.house.gov](http://www.house.gov) and [www.senate.gov](http://www.senate.gov).**
- 2) **Distribute this *Action Alert* to your networks and constituents.**

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