

Dear Chairs and Members of House and Senate Appropriations Committees,

On behalf of more than 3.2 million Americans for Prosperity activists across all 50 states, I write to share our strong concern over the unsustainable path of ever-rising federal spending.

This year for the first time ever, federal spending will top \$4 trillion, or \$33,000 per household, thanks in part to the omnibus spending bill which increased the discretionary budget by \$138 billion or 13%. President Trump, when signing this 2,232 page behemoth, said he would <u>never sign another bill like it</u>. We hope he never has to and we strongly urge lawmakers to ensure he is not put in that position by first freezing and then fixing federal spending. America is lurching towards a fiscal crisis if we don't act with urgency to prioritize taxpayers and put the country on a path to fiscal sanity.

We applaud appropriations committees for moving swiftly to pass their spending bills. However, we are deeply troubled that both the House and Senate appropriations committees have already approved a further increase of \$37 billion for FY2019. This is a bipartisan problem, as spending has continued to increase substantially under both parties. Other than a brief respite won by conservatives under the Budget Control Act, more government spending is the norm. Sadly, February's budget agreement abolished any pretext of fiscal restraint remaining from the Budget Control Act.

Freezing discretionary spending for FY2019 would be a down payment toward solving our larger spending problem. To fix the rest of the budget, comprehensive reforms must be made to mandatory spending, including Social Security, Medicare and Medicaid—these programs are the biggest drivers of spending over the next 10 and well beyond.

The latest reports from the Trustees reveal that the financial condition of Social Security and Medicare, both already unsustainable, have significantly worsened over the last year. Distressingly, beginning this year program revenues (from the payroll tax and interest) will not be sufficient to pay benefits for Social Security and it must begin to draw down its trust fund. The Medicare hospital insurance program is in the same situation. The time for action is now.

AFP has consistently emphasized the importance of pairing tax cuts with fiscal restraint and the removal of regulatory barriers. Failing to rein in the discretionary budget or reform mandatory programs will lead to exploding spending and ballooning debt, and will undermine the growth benefits of tax reform. Congress must undertake a full assessment of all federal programs and set them on a fiscally responsible path to relieve the burden overspending is placing on all taxpayers.

For too long, lawmakers have failed to deliver spending bills on time setting up high stakes scenarios to avoid a government shutdown. However, funding the government is not a binary choice between shut down and bloated spending. Rather, the time is now to do the work to set our country on a path to fiscal sanity.

To help President Trump cut spending and ensure he is not put in a position of signing another reckless spending bill like the omnibus, we call on you to take the necessary first step now and freeze FY 2019 discretionary spending at FY 2018 levels.

Our network stands ready to aid those working to ensure that end. The taxpayers deserve no less.

Sincerely, Brent Gardner Chief Government Affairs Officer Americans for Prosperity

cc: Senate Majority Leader McConnell Speaker of the House Paul Ryan