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WASHINGTON, D.C., July 30 --- U.S. Sen. Bob Dole (R-Kans.) cosponsored this week a measure that proposed a constitutional amendment that would provide for a balanced federal budget over a period of two years.

Dole explained that earlier proposals that had called for fiscal responsibility have been criticized for lacking flexibility and containing technical faults. "The amendment I am cosponsoring, however," Dole said, "was designed to overcome these objections by setting forth a requirement that the budget be balanced in total over two fiscal years." At the end of the first fiscal year, the Office of Management and Budget would report on the budget, and if not in balance, the Congress would be given notice to raise revenues or decrease expenditures in the following fiscal year to bring the aggregate of both years in balance, Dole explained. At the end of the second fiscal period, the measure provides that if a deficit is reported, that Congress be required to take action to make up the deficit before it enacts any further appropriation bills.

Dole commented that this restriction provides an enforcement feature while allowing for flexibility. Two exceptions to the ruling are provided: in the case of a declared war, and in the event of a Presidentially-declared emergency.

He pointed out the need for the amendment citing the Congress' failure to balance appropriations with tax revenue. "There has been deficit spending continuously since fiscal 1960," Dole said, "and trends in business and actions in Congress point to a substantial increase of the deficit in the year ending next June." For fiscal year 1971, the budget deficit was \$23.2 billion, the second largest deficit since World War II.

(OVER)

Dole continued:

There is considerable agreement that uncontrolled federal spending sustained by deficit spending is the major cause of the inflation threatening our economic stability today. In addition, the rapid decline in the purchasing power of the dollar endangers the United States as the financial leader of the free world.

The Kansas Senator emphasized that the amendment he was cosponsoring would not mean an end to those needed social programs that presently consume such a large percentage of governmental income nor would it cripple the country's ability to provide for national defense. "Rather," Dole said, "such an amendment would demand an exacting appraisal of the appropriation bills as they are presented. The Congress would be compelled to hold its appropriations, and the Executive Branch its expenditures within the amount of revenue produced."