



COMPACT FOR AMERICA



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RE: SB 102 – Compact for a Balanced Budget
Before the Alaska Senate State Affairs Committee

Mr. Chairman and members of the Committee – thank you for the opportunity to provide testimony before you today. The Compact for a Balanced Budget provides a turnkey approach to state-initiated amendments to the U.S. Constitution. All amendments proposed either by the Congress or the state legislatures must follow the prescribed provisions of Article V of the Constitution, which details how desired amendments are both proposed and ratified. All 27 amendments to date to the U.S. Constitution have been proposed by Congress - the state legislatures have never successfully organized to propose a single amendment.

The Compact utilizes the tried and true interstate compact approach to organizing and binding states around a common goal. Alaska is currently a member of 28 different interstate compacts. This particular Compact provides the necessary tools and controls for the state legislatures to safely organize and conduct a 24-hour, single issue, up/down vote convention to propose and ultimately ratify a pre-approved amendment. All rules and procedures of the required convention are encompassed in the laws of the Compact Member States and enforced at both the state and federal level.

In this particular case, the pre-approved Amendment is a state of the art Balanced Budget Amendment which for the first time allows Congress to utilize approved debt in the balancing equation. While the Amendment establishes a constitutional debt limit, it also provides Congress with ample funding for national emergencies and entitlement programs. Most importantly, the Amendment requires Congress to obtain the approval of a majority of the state legislatures whenever an increase in the constitutional debt limit is proposed.

Attached is a one-page overview of the major provisions of the Compact. I would be happy to answer any questions you may have regarding the Compact approach to state-initiated constitutional amendments, the Compact text, or the Balanced Budget Amendment.

Very truly yours,





Compact for a Balanced Budget

Summary of Key Legislative Provisions

The Balanced Budget Amendment – the amendment “Payload”

- Section 1 - requires federal budget to be balanced at all times, and only approved debt can be used to fund deficits
- Section 2 – establishes a constitutional debt limit at time of ratification
- Section 3 – requires approval of a majority of the state legislatures if Congress desires to increase the debt limit
- Section 4 – requires the President to protect the integrity of the constitutional debt limit
- Section 5 – encourages spending reductions first, as opposed to tax increases, to bridge the current deficit gap
- Section 6 – provides necessary definitions
- Section 7 – provides for self-enforcement of the amendment

the Compact for a Balanced Budget - the “Delivery Vehicle”

- Purpose – to greatly simplify the amendment process by combining all the steps required of the state legislatures to safely, efficiently, and effectively propose and ratify the Balanced Budget Amendment
- Article I – describes purpose of organizing the states to originate the Balanced Budget Amendment using a compact
- Article II – provides the necessary definitions, **including the actual text of the proposed Balanced Budget Amendment**
- Article III – sets compact membership and withdrawal requirements
- Article IV – establishes the Compact Commission – when 2 states join
- Article V – applies to Congress for Balanced Budget Amendment Article V convention – effective when 38 states join
- Article VI – appoints and instructs delegate(s) who will attend the Balanced Budget Amendment convention
- Article VII – details the **convention agenda and rules**, allows first member state to designate Convention Chair
- Article VIII – prohibits participation in convention before Congress consents to Compact; prohibits runaway convention and ratification of runaway proposals by member states
- Article IX – **resolution ratifying the balanced Budget Amendment** – effective when convention proposes amendment and Congress refers amendment to the state legislatures for ratification
- Article X – provides enforcement by state attorney generals, central venue and termination provisions

The Congressional Resolution – the “Blessing” of the Compact by Congress

- Title 1 – **resolution calling the required convention** in accordance with the terms and provisions of the Compact for a Balanced Budget - effective when 38 states join the Compact
- Title 2 – **resolution referring the Balanced Budget Amendment to the state legislatures for ratification** - effective when convention proposes the amendment

**Council of State Governments
National Center for Interstate Compacts
Alaska Compacts**

Updated as of 3/19/2021

Ref.	Compact Name	Citation	Year Of Joinder
1	Agreement on Detainers	AS Secs. 33.35.010	
2	Agreement on Qualifications of Educational Personnel	AS Secs. 14.20.620 to 14.20.650	1981
3	Compact for a Balanced Budget		1970
4	Compact for Education	AS Secs. 14.44.050 to 14.44.060	2014
5	Compact on Mental Health	Alaska: AS Secs. 47.30.880	1980
6	Compact on Placement of Children	AS Secs. 47.70.010 to 47.70.080	1957
7	Driver License Compact	Alaska: AS Secs. 28.37.010 to 28.37.190	1976
8	Emergency Management Assistance Compact	AS Secs. 26.23.135	1986
9	Interstate Compact for Adult Offender Supervision	AS Secs. 33.36.110-33.35.040	2002
10	Interstate Compact for Juveniles	AS Secs. 47.15.010 to 47.15.080	2002
11	Interstate Compact on Adoption and Medical Assistance		1960
12	Interstate Compact on Educational Opportunity for Military Children	AS Sec. 14.34.010	
13	Interstate Compact on the Placement of Children		2009
14	Interstate Compact to Conserve Oil and Gas	AS Secs. 46.04.100	
15	Interstate Corrections Compact	AS Secs. 33.36.010 to 33.36.040	1980
16	Interstate Insurance Product Regulation Compact	AS Sec. 21.42.700 et seq.	1984
17	Interstate Mining Compact		2007
18	Multistate Tax Compact	AS 43.19.010	
19	National Crime Prevention and Privacy Compact	AS Secs. 12.64.010	1970
20	National Guard Mutual Assistance Compact	AS Secs. 26.25.010 to 26.25.030	2001
21	Northwest Compact on Low-Level Radioactive Waste Management	Alaska: AS Secs. 46.45.010 to 46.45.020	1968
22	Northwest Wildland Fire Protection Agreement		1983
23	Pacific Marine Fisheries Compact	AS Secs. 16.45.010 to 16.45.040	
24	Uniform Unclaimed Property Act		1962
25	Western Corrections Compact	AS Secs. 33.36.060 to 33.36.100	
26	Western Interstate Energy Compact	AS Secs. 41.98.110 to 41.98.150	1961
27	Western Regional Education Compact	AS Secs. 14.44.010 to 14.44.040	1969
28	Wildlife Violator Compact		1955

Historical U.S. Deficits and Debt Levels

