

Alaska Legislature HB 284 – Compact for a Balanced Budget Summary of Key Legislative Provisions

The Balanced Budget Amendment – the amendment "Payload" in Article II of HB 284

- Section 1 balances federal budget by limiting spending to taxes except for borrowing under a constitutional debt limit.
- Section 2 establishes a constitutional debt limit equal to 105% of outstanding debt 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 constitutional debt limit through impoundments Congress can override
- Section 5 encourages spending and tax loophole reductions to bridge deficits, as opposed to general tax increases
- Section 6 provides necessary definitions
- Section 7 provides for self-enforcement of the amendment

The Compact for a Balanced Budget - the "Delivery Vehicle" at the core of HB 284

- Purpose to greatly simplify the amendment process by combining all the steps required of the Georgia General Assembly 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 Article V 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, severability and termination provisions

The Congressional Resolution – the "blessing" of the compact by Congress (Not HB 284)

- 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 amendment