

Alaska State Legislature

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Senator Shelley Hughes

Senate District F—Palmer, Chugiak, Peters Creek, Eklutna, Fairview Loop, Gateway, Butte, Lazy Mountain

Senate Bill 102

“An Act relating to the Compact for a Balanced Budget”

Sponsor Statement

In 2014, the 28th Legislature of the State of Alaska passed HB 284 sponsored by Representative Wes Keller, which allowed Alaska to join an interstate compact to amend the Constitution of the United States with a Balanced Budget Amendment through the Article V process of the United State Constitution.

When HB 284 was passed the national debt of the United States was \$17.3 trillion but had not yet exceeded our nation’s Gross Domestic Product. As of February 2020, the United States National debt is \$23.3 trillion and has now exceeded the GDP (\$20.93 trillion) by \$2.37 trillion.

In just the last seven years that Alaska has been a member of the compact, it has become abundantly clear that both the executive and the legislative branches of the federal government are either incapable or uninterested in finding solutions to this issue. The current path of the federal debt is unsustainable and detrimental to the future of all Alaskans.

Senate Bill 102 is an extension to Alaska’s membership in the Compact for America (CFA), an interstate compact whose goal is to offer a solution to the growing debt problem through a balanced budget amendment to the constitution. The balanced budget amendment proposes that the national debt be limited to 105% of the outstanding debt at the time of ratification and it would require that Congress receive the consent of state legislatures in order spend over that amount, providing more direct communication from the legislatures to the federal government on the national debt issue.

The interstate compact is a proven structure for achieving a state-initiated amendment to the Constitution and requires two pieces of legislation:

1. A compact agreement from 38 states
2. A Congressional resolution for the convention and ratification

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Senate Bill 102 contains all the elements required for the Article V process were passed in HB 284, will remain in place, and extended until April 12, 2031. The only other change to the existing compact is that there will be three delegates instead of one, and that the Governor, Speaker of the House, and Senate President at the time of the convention will be appointed to represent Alaska at the convention and that a majority of the votes of this delegation will serve as Alaska's position on the questions of the Amendment.

I ask that you join me in advocating for Alaska to continue to be part of the conversation and work towards an article V constitutional convention for the purposes of passing a balanced budget amendment. We the people, must take back our position of power that is afforded us in our Constitution and make the hard decisions about our financial future.

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