

ALASKA STATE LEGISLATURE
HOUSE STATE AFFAIRS STANDING COMMITTEE

March 27, 2012

8:05 a.m.

MEMBERS PRESENT

Representative Bob Lynn, Chair
Representative Wes Keller, Vice Chair
Representative Paul Seaton
Representative Max Gruenberg
Representative Pete Petersen
Representative Kyle Johansen

MEMBERS ABSENT

Representative Peggy Wilson

COMMITTEE CALENDAR

HOUSE JOINT RESOLUTION NO. 38

Requesting the United States Congress to call a Constitutional Convention to propose an amendment to the Constitution of the United States requiring approval of a majority of state legislatures to increase the federal debt limit.

- MOVED CSHJR 38(STA) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HJR 38

SHORT TITLE: US CONST AM: FEDERAL DEBT LIMIT

SPONSOR(S): REPRESENTATIVE(S) KELLER

02/20/12	(H)	READ THE FIRST TIME - REFERRALS
02/20/12	(H)	STA
03/06/12	(H)	STA AT 8:00 AM CAPITOL 106
03/06/12	(H)	Heard & Held
03/06/12	(H)	MINUTE(STA)
03/27/12	(H)	STA AT 8:00 AM CAPITOL 106

WITNESS REGISTER

JIM POUND, Staff
Representative Wes Keller
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: On behalf of Representative Keller, sponsor, described the changes made in Version D of HJR 38.

STUART THOMPSON
Meadow Lakes, Alaska

POSITION STATEMENT: Testified in support of HJR 38.

ACTION NARRATIVE

[8:05:31 AM](#)

CHAIR BOB LYNN called the House State Affairs Standing Committee meeting to order at 8:05 a.m. Representatives Keller, Seaton, Petersen, and Lynn were present at the call to order. Representatives Gruenberg and Johansen arrived as the meeting was in progress.

HJR 38-US CONST AM: FEDERAL DEBT LIMIT

[8:05:47 AM](#)

CHAIR LYNN announced that the only order of business was HOUSE JOINT RESOLUTION NO. 38, Requesting the United States Congress to call a Constitutional Convention to propose an amendment to the Constitution of the United States requiring approval of a majority of state legislatures to increase the federal debt limit.

[8:06:06 AM](#)

REPRESENTATIVE GRUENBERG moved to adopt the proposed committee substitute (CS) for HJR 38, Version 27-LS1284\D, Gardner, 3/22/12, as a work draft. There being no objection, Version D was before the committee.

[8:06:29 AM](#)

REPRESENTATIVE KELLER, as sponsor of HJR 38, said he understands the concern is there might be a runaway convention. He said he thinks Version D addresses this concern on page 1, beginning on line 13, to the end of the page. He said the key is to get two-thirds of the states to have exactly the same language in their legislation. He expressed his wish to move HJR 38 out of committee in order to "get it on the record."

[8:08:00 AM](#)

JIM POUND, Staff, Representative Wes Keller, Alaska State Legislature, on behalf of Representative Keller, sponsor, described the changes made in Version D. He said [the original bill version] acknowledges that requests related to a balanced budget have been made in the past by the Alaska State Legislature to U.S. Congress, in 1982 and 1997; however, an expert told the sponsor that including that language may give Congress an excuse to throw out HJR 38, because it differs from the language in [other states'] resolutions.

[8:10:22 AM](#)

REPRESENTATIVE KELLER, in response to Chair Lynn, indicated that if Version D is amended in any way, the result may be that Congress will discard it as not being similar enough.

[8:10:40 AM](#)

REPRESENTATIVE GRUENBERG said he does not support "the amendment," because he thinks it would "cause havoc on the federal level" and would "paralyze the government." He said it would be another matter if the proposed joint resolution was "a true balanced budget amendment," but he compared [HJR 38] to federal Proposition 13. He said he would not oppose the passage of the proposed legislation out of just the House State Affairs Standing Committee, but would indicate his recommendation is "do not pass."

[8:12:43 AM](#)

REPRESENTATIVE SEATON said he had anticipated receiving legal opinions in the committee packet, but does not see any. Regarding the previously mentioned expert, he said each expert has his/her point of view. He said that with the assurance of the sponsor that the purpose of moving HJR 38 simply would be to get it posted on BASIS, not for it to be heard by any further committees, he would not oppose moving it out of committee; however, he said he would not be "a supporter."

CHAIR LYNN asked Representative Keller if he would give those assurances.

[8:15:12 AM](#)

REPRESENTATIVE KELLER answered yes. He confirmed that the idea is to get the legislation on the Bill Action & Status Inquiry System (BASIS). He stated that this is a huge issue, and he

said he was concerned about the possibility of a national constitutional convention; however, he said the national debt keeps increasing. He reported that every child born is between fifty and sixty thousand dollars in debt. He said this has to do with the definition of federalism in the context of the balance and sovereignty of the state with a balance in the power of central government is part of the issue. He acknowledged that there are many issues and ramifications related to HJR 38; therefore, he stated, "I will not go further."

[8:16:42 AM](#)

REPRESENTATIVE GRUENBERG said it is unusual that the proposed resolution, introduced on 2/20/12, was referred to only one committee. He stated his presumption that the sponsor would reintroduce the proposed legislation next year, and he asked Representative Keller to specifically request that it be referred to the House Judiciary Standing Committee to address the issue of constitutionality. He said this pertains to the federal Constitution, but said this year's Alaska voters will be asked whether there should be a state constitutional convention. He said, "I think that the answer to the one question may also provide some legal research on whether a state constitutional convention could be called and not open up the whole constitution." He said HJR 38 presents not only the merits of the measure, but also the procedural question of whether a constitutional convention can be limited to enumerated subjects.

REPRESENTATIVE KELLER indicated that he would do so.

[8:19:05 AM](#)

STUART THOMPSON read his testimony as follows:

Representative Keller's HJR 38 calls for a limited constitutional convention to address restricting how the national debt limit is raised. It is not only appropriate and confidently written, but speaks to a matter that is a central reason why America is becoming a has-been Republic after only 250 years. The appropriateness of state attention to the financial betrayal of Americans by the federal government is best explained by quoting Alexander Hamilton: ... "This balance between the national and state governments ought to be dwelt on with peculiar attention as it is of the utmost importance. It forms a double security to the people. If one encroaches on

their rights, they will find a powerful protection in the other. Indeed, they will both be prevented from overpassing their constitutional limits by a certain rival-ship which will ever subsist between them." - 1788 speech to the New York ratifying convention.

That runaway national debt is fiduciary criminality verging on treason is best explained by quoting two U.S. Founding Fathers: ... "I sincerely believe that banking establishments are more dangerous than standing armies, and that the principle of spending money to be paid by posterity under the name of funding is but swindling futurity on a large scale." - Thomas Jefferson, 1816 letter excerpts. ... "The Union: Who are its real friends? Not those who promote unnecessary accumulations of the debt of the Union, instead of the best means of discharging it as fast as possible; thereby increasing the causes of corruption in the government, and the pretexts for new taxes under its authority, the former undermining the confidence, the later alienating the affection of the people." - James Madison, 1792 public essay excerpts.

That a balanced budget and restricting debt accumulation is the essence of government fiduciary responsibility has been known for thousands of years. For example, I quote a famous Roman statesman: ... "The budget should be balanced; the treasury should be refilled; public debt should be reduced; the arrogance of officialdom should be tempered and controlled; and the assistance to foreign lands be curtailed lest Rome become bankrupt. People must again learn to work instead of living on public assistance." - Cicero, 55 B.C.

Income greater than outgo, plus reserves: This foundation of sound economic policy has been the same since God created humanity. Federal government being institutionalized bribery and swindling. Pass this resolution.

[8:23:02 AM](#)

CHAIR LYNN, after ascertaining that there was no one else who wished to testify, closed public testimony.

[8:23:07 AM](#)

REPRESENTATIVE KELLER moved to report CSHJR 38, Version 27-LS1284\D, Gardner, 3/22/12, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHJR 38(STA) was reported out of the House State Affairs Standing Committee.

[8:23:43 AM](#)

ADJOURNMENT

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 8:24 a.m.