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The Compact Commission
Compact for a Balanced Budget
c/o Compact for America Educational Foundation, Inc.
2323 Clear Lake City Boulevard, Suite 189-190
Houston, Texas 77062



August 8, 2017

The Honorable Diane Black
Chairman – House Budget Committee
U.S. House of Representatives
B234 Longworth House Office Building
Washington, DC 20515

RE: 2018 House Budget Resolution and the Compact for a Balanced Budget

Dear Chairman Black:

We have reviewed the text of the budget resolution reported by your Committee (House Concurrent Resolution 71) and write to offer our support. That rarest of political outcomes – sound policy that represents a win-win scenario for normally divergent factions – is possible as the budget process moves forward.

Our nation is facing a fiscal crisis. It is essential that the federal budget returns to balance within the ten-year budget period because runaway federal debt is not political or partisan – it is an economic, generational and civil-rights issue. We commend you and your Committee for reporting a resolution that balances within the budget period; its adoption is very much in the national interest.

We also commend the Committee for including Section 501 in the resolution, which endorses adding a balanced budget requirement to the Constitution.

Section 501 identifies the Compact for a Balanced Budget, which we represent on behalf of current and future member states. We believe the most practical, prudent enforcement mechanism is the state-of-the-art balanced budget amendment (BBA) being proposed by the Compact. *This state-of-the-art BBA has been specifically designed to overcome concerns expressed in 40 years of congressional hearings that have considered how a BBA should be drafted.* Such concerns may have prevented prior BBAs from being proposed.

To advance the policy prescription in Section 501 of the budget resolution in the House, we recommend:

- **updating this section to reflect that the concurrent resolution to effectuate the Compact** (House Concurrent Resolution 73) was introduced on July 26, 2017; and
- **incorporating the language of House Concurrent Resolution 73 into Section 501.** This could be done as one of several amendments you are probably already planning to bring up during floor consideration as the manager's package, and requires only a majority vote as opposed to the two-thirds required for balanced budget amendment proposals made by members of Congress.

Taking these steps establishes a strong enforcement mechanism, sustaining the budget resolution following its adoption. It would also strengthen the appeal of the budget resolution to fiscal conservatives in the House and taking these steps prior to the consideration of legislation to raise the debt ceiling should expedite approval of that legislation.

Letter to Chairman Diane Black

August 8, 2017

Page 2

Supermajorities of Americans have demanded a balanced budget for decades. Our nation's debt threatens future generations to default or austerity, but we believe there's a chance here for a third option: principled leadership on the matter of debt and spending.

We hope you and your Committee members will agree that there is a path here which acknowledges the need for long-term fiscal sanity while also meeting shorter-term political and policy needs.

Regards,

The Compact Commissioners



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Alaska Commissioner



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Georgia Commissioner



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Mississippi Commissioner