

RESOLUTION 1-S.F.No. 66

A resolution memorializing Congress to continue its progress at reducing the federal deficit and provide to the state information on the impact that a balanced federal budget will have on the state of Minnesota.

WHEREAS, the 50 States, including the State of Minnesota, have long been required by their state constitutions to balance their state operating budgets; and

WHEREAS, the States have long done so by making difficult choices each budget session to insure that their expenditures do not exceed their revenues; and

WHEREAS, without a federal balanced budget, the deficit may continue to grow within the next ten years from \$150 billion gross domestic product (GDP) per year to \$400 billion GDP per year, continuing the serious negative impact on interest rates, available credit for consumers, and taxpayer obligations; and

WHEREAS, the Congress of the United States, in the last two years, has begun to reduce the annual federal deficit by making substantial reductions in federal spending; and

WHEREAS, achieving a balanced budget by the year 2002 will require continued reductions in the annual deficit, averaging almost 15 percent per year over the next seven years; and

WHEREAS, it now appears that the Congress is willing to impose on itself the same discipline that the States have long had to follow, by passing a balanced-budget amendment to the United States Constitution; and

WHEREAS, the Congress, in working to balance the federal budget, may impose on the States unfunded mandates that shift to the States responsibility for carrying out programs that the Congress can no longer afford; and

WHEREAS, the States will better be able to revise their own budgets if the Congress gives them fair warning of the revisions Congress will be making in the federal budget; and

WHEREAS, if the federal budget is to be brought into balance by the year 2002, major reductions in the annual deficit must continue without a break; and

WHEREAS, these major reductions will be more acceptable to the people if they are shown to be part of a realistic, long-term plan to balance the budget; NOW, THEREFORE,

BE IT RESOLVED by the Legislature of the State of Minnesota that it urges the Congress of the United States to continue its progress at reducing the annual federal deficit and, when the Congress proposes to the States a balanced-budget amendment, to accompany it with financial information on its impact on the budget of the State of Minnesota for budget planning purposes.

BE IT FURTHER RESOLVED that the Secretary of State of Minnesota shall transmit copies of this memorial to the Speaker and Clerk of the United States House of Representatives, the President and Secretary of the United States Senate, the presiding officers of both houses of the legislature of each of the other States in the Union, and to Minnesota's Senators and Representatives in Congress.

Presented to the governor January 18, 1995

Signed by the governor January 20, 1995, 10:25 a.m.