

## 1 HOUSE JOINT RESOLUTION NO. 6

2 INTRODUCED BY T. BURNETT

3

4 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF  
5 MONTANA ASSESSING THE RISKS FROM ANY POTENTIAL REDUCTIONS OF FEDERAL FUNDS TO THE  
6 STATE OF MONTANA AND ITS POLITICAL SUBDIVISIONS AND URGING POLITICAL SUBDIVISIONS  
7 ACROSS THE STATE TO ADOPT AND IMPLEMENT COMPREHENSIVE FINANCIAL RISK MANAGEMENT  
8 MEASURES AS SOON AS POSSIBLE.

9

10 WHEREAS, the Montana Legislature declares that the nation's indebtedness poses a great, clear, and  
11 present threat to America's future; and

12 WHEREAS, David Walker, former Comptroller General of the United States, warns that the "most serious  
13 threat to the United States" is "our own fiscal irresponsibility"; and

14 WHEREAS, the national debt has now surpassed \$18 trillion, more than \$146,800 per U.S. household;  
15 and

16 WHEREAS, the annual deficits have averaged over \$1 trillion for each of the last 6 years, and unfunded  
17 obligations for social programs now exceed \$127 trillion, with no apparent Congressional resolution on the  
18 horizon; and

19 WHEREAS, \$65 billion per month of the national debt and annual deficits are now offset through Federal  
20 Reserve operations, such as quantitative easing; and

21 WHEREAS, more than 40 cents of every dollar the state of Montana spends comes from the federal  
22 government; and

23 WHEREAS, in a recently released Federal Fiscal Outlook, the Government Accountability Office  
24 declared: "A fundamental imbalance between revenue and spending over the long term leads to continuous  
25 growth in debt as a share of gross domestic product (GDP), which is unsustainable"; and

26 WHEREAS, the lack of fiscal sustainability in the federal budget will undermine the fiscal sustainability  
27 in our state budget; and

28 WHEREAS, in May 2012, the American Institute of Certified Public Accountants, in its review of the  
29 federal government's most recent annual financial statements, warned: "The U.S. is not exempt from the laws  
30 of prudent finance. We must take steps to put our financial house in order. The credit rating agencies have

1 recently issued renewed warnings of U.S. credit downgrades unless substantive reforms are made. Our current  
2 fiscal policy results in mortgaging our nation's future without investing in it, leaving our children, grandchildren  
3 and future generations to suffer the consequences. This is irresponsible, unethical and immoral"; and

4 WHEREAS, restoring fiscal soundness and sustainability is at the heart of restoring economic growth and  
5 fostering a business climate where companies can grow and hire; and

6 WHEREAS, absent credible actions to address this fiscal condition, uncertainty will continue to dominate  
7 business decisionmaking and economic recovery will languish.

8

9 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE  
10 STATE OF MONTANA:

11 That the Legislature of the State of Montana supports a comprehensive initiative of risk management  
12 processes to assess the immediacy, severity, and probability of risks from any reductions of federal funds to the  
13 State of Montana and to determine how the state will marshal its resources to prioritize and provide the most  
14 essential government services.

15 BE IT FURTHER RESOLVED, that the Legislature strongly urges local, state, and national elected  
16 officials to take immediate and sustained action to eliminate deficit spending and secure economic self-reliance  
17 to the State of Montana and to the United States.

18 BE IT FURTHER RESOLVED, that the Legislature strongly urges the President of the United States and  
19 the United States Congress to pass a budget each year and adopt a credible and sustainable plan to balance  
20 the budget each year.

21 BE IT FURTHER RESOLVED, that the Legislature strongly urges Montana's cities, towns, and counties  
22 to adopt and implement comprehensive financial risk management measures as soon as possible.

23 BE IT FURTHER RESOLVED, that copies of this resolution be sent to the Attorney General of the United  
24 States, the President of the United States, the Majority Leader of the United States Senate, the Speaker of the  
25 United States House of Representatives, the Montana Association of Counties, the Montana League of Cities  
26 and Towns, the Montana State Chamber of Commerce, the Montana Board of Regents, the Montana Board of  
27 Public Education, and the members of Montana's Congressional Delegation.

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