

HOUSE BILL REPORT

HJM 4012

As Reported By House Committee On:

Appropriations

Brief Description: Requesting a balanced budget amendment to the United States Constitution.

Sponsors: Representatives Koster, B. Thomas, Mulliken, Sheahan, McMorris, D. Sommers, Sterk, Skinner, Smith, Delvin, Backlund, Clements, Benson, Schoesler, Johnson, Cairnes, Sullivan, Sherstad and Dyer.

Brief History:

Committee Activity:

Appropriations: 2/24/97, 2/27/97 [DP].

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 20 members: Representatives Huff, Chairman; Alexander, Vice Chairman; Clements, Vice Chairman; Wensman, Vice Chairman; Doumit, Assistant Ranking Minority Member; Benson; Carlson; Cooke; Crouse; Dyer; Grant; Kessler; Lambert; Mastin; McMorris; Parlette; D. Schmidt; Sehlin; Sheahan and Talcott.

Minority Report: Do not pass. Signed by 10 members: Representatives H. Sommers, Ranking Minority Member; Gombosky, Assistant Ranking Minority Member; Chopp; Cody; Keiser; Kenney; Linville; Poulsen; Regala and Tokuda.

Staff: Kristen Reiber (786-7148).

Background: The federal deficit is the difference between what the federal government takes in and what the federal government spends each year. Although deficits have declined in recent years, the Congressional Budget Office (CBO) (January 1997) estimates that the gap will begin growing again in 1997 if current trends continue. The CBO estimates that the deficit for fiscal 1997 will be \$124 billion.

While the deficit has decreased, the accumulated national debt has continued to increase. As of February 21, 1997, the federal debt totaled \$5,340,480,961,413.88 (Treasury Department).

Amending the U.S. Constitution requires two-thirds vote of each house of Congress plus ratification by the Legislatures of 38 states within seven years after the amendment's submission for ratification.

Summary of Bill: The Legislature requests Congress to pass a constitutional amendment prohibiting federal fiscal year expenditures from exceeding federal fiscal year revenues in the absence of a national emergency.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Federal deficit spending is a drain on the economy and is unfair to children, who will bear the cost in the future.

Testimony Against: None.

Testified: Representative Koster, prime sponsor.