THE NAFSL NEWSLETTER

National Association of Former State Legislators

Balanced Federalism ★ State Sovereignty ★ Representative Governance

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Welcome to your November newsletter. First some post-election commentary and then an essay contributed by a supporter of NAFSL.

Observing the election results as reported by the mainstream media, it was interesting to note the fervor and emphasis placed mostly on the campaigns for national office, while not so much for the candidates running for state or local offices.

Especially when one considers the very few and limited powers delegated to the national government (Article 1, Section 8, US Const.) and then everything else that is reserved to the states and people, it is quite surprising that there is always so much attention placed on who gets elected to Congress.

This seems to be evidence of a citizenry willing to acquiesce its self-determination to an all-encompassing national authority.

Essentially, what we are witnessing is the emergence of a national government that has been somewhat successful in its insatiable quest for hegemony and has now assumed many of the powers originally reserved to the states. Thus, the electorate (and the media), in their enthusiasm to remain ostensibly relevant, is responding accordingly.

Our state leaders must be mindful to boldly assert the sovereignty of their state and duly reject any endeavors that will upset the balanced federalism established by the Founders.

The good news is that we have a story about a state that recently upheld its sovereignty. In Florida, the US Department of Justice, with intentions to provide oversight at some Florida polling locations, was warned to stay out when the Florida Department of State invoked its authority to do its own monitoring. Florida Department of State

Submitted by John Ramsey:
Our national debt and persistent deficits are the symptoms of federal fiscal mismanagement, and we urgently need to enact some broad fiscal reforms in the U.S. Constitution.

The problem is that there are virtually no rules, no process instructions, and no procedural safeguards that clearly state what Congress may, must, or cannot do with our money. Basically, commonsense safeguards need to be spelled out that would help ensure wise financial policy.

When the Constitution was ratified 235 years ago our national budget was $4 million. Today, that budget is approaching $4 trillion, but we continue to use the same Constitution with no rules for proper financial management, just as we did when our government was one millionth the size it is today.

Can you imagine any organization that could grow by one million times and not update, modernize, or scale up the basic operating rules governing the conduct of their financial affairs?

Legislation alone is not the remedy because Congress routinely ignores the laws they place upon us when those laws require Congress to do things they do not want to do. The seventeen-year, tortured history of the Gramm-Rudman-Hollings **Balanced Budget and Emergency Deficit Control Act of 1985,** during which our national debt increased by $4.4 trillion, provides a clear example.

A proposed solution is the "Bill of Financial Responsibilities", a package of five brief constitutional amendments that could be proposed through an Article 5 Convention of the States. This would be the first integrated package of amendments since the Bill of Rights, that would require our national government to do five straightforward things:

1. Prohibit Congress from using our tax system to dispense favors through lengthy, unenforceable tax rules, and abolish the existing Internal Revenue Code. Require a new simplified tax system to fairly and efficiently tax citizens and businesses only enough to finance the legitimate operations of our federal government, and nothing more.

2. Limit spending to government operations unless there is a declared emergency. Paydown the existing federal debt in time certain required amounts. Give the President line-item veto authority to unpack lengthy, complex, and irresponsible appropriations legislation.

3. Require regulations to be specifically authorized in law and not through agency rulemaking. Establish impartial, fast-track Administrative Courts as part of the federal judiciary to resolve disputes between citizens and federal regulators.

4. Upon receipt, separate our payroll taxes for Social Security retirement, disability compensation, and Medicare from other government funds and maintain custody as trust funds in the Federal Reserve Bank. Enable independent teams of investment professionals to invest and independent auditors to account for these funds protected from Congressional misappropriation.

5. For every federal agency and department, 1) establish and require Generally Accepted Accounting Principles developed by the independent Financial Accounting Foundation, 2) annually conduct independent audits with a failure to pass resulting in a funding reduction, and 3) request transparent reporting of all financial activities and results.

With foresight, the Founders provided in our Constitution a mechanism for the several states to check and balance the national government when its errant behavior becomes a detriment of the people and the states. This process part is set forth in Article 5 of the U.S. Constitution where the states have the authority to convene and propose amendments to the constitution.

As more people, including our state legislators, become fed up with the calamitous status quo of our financial affairs and deeply worried that without new, common-sense Constitutional safeguards our beloved country will be forever changed for the worse, perhaps they will realize that best way forward is to convene the states and adapt the “Bill of Financial Responsibilities”.

John Ramsey is the Founder of The Bill of Financial Responsibilities® Project. To learn more, visit their website at https://bofrusa.com/.

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