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# HOUSE BILL ANALYSIS

## HJM 4012

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

**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:** 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.

**Fiscal Note:** Not requested.