



**TESTIMONY OF STEVE STIVERS**  
**In Support of SJR 5**  
**Tuesday, October 22, 2013**

Thank you Chairman Oelslager and Members of the Finance Committee for allowing me to testify before you today in support of Senate Joint Resolution 5.

I would like to thank Governor John Kasich, Senate President Keith Faber, and Representative Matt Huffman for making the Balanced Budget Amendment a priority. I appreciate your dedication to addressing this important issue.

As the father of two young children, Sarah and Sam, I want nothing more than to ensure they have a bright future. I don't want them to be buried under a mountain of debt. However to do that, we need to take the necessary steps to stop the runaway government spending. Personally, I think the best way to do that is through the passage of a Balanced Budget Amendment (BBA).

**I'd like to make a few points today:**

- *First, I'd like to define the problem (and put our federal budget issues in perspective)*
- *Second, I'd like to propose a solution which is viable and effective – The Balanced Budget Amendment*
- *Third, I'd like to discuss why you as State Legislators should choose to get involved in these issues.*
- *Fourth, I'd like to address some concerns I have heard about the BBA.*

**THE PROBLEM – DEFICIT SPENDING AND DEBT:**

Today our nation's fiscal future is bleak.

- Deficit spending every year
- The national debt is over \$17 trillion.
- And the U.S. House and Senate cannot agree on a long-term budget that balances.

If the federal government were a fictional household – let's say Uncle Sam's House, which you can create by using the 2013 federal budget numbers and dividing by 50,000,000 – what would the situation look like?

### UNCLE SAM'S HOUSEHOLD FINANCES FOR 2013:

Annual Income:       \$ 57,000  
Annual Expenses:     \$ 70,000  
Annual Deficit        (\$ 13,000)

**Total Accumulated Debt of the Household = (\$340,000)**

- **If Uncle Sam devotes 10% of his income to paying down the debt - even at 0% interest – it will take 59 years to pay off his debt!**

*PS – This debt is more like credit card debt than a mortgage, because there is no asset you are buying. The money was spent on healthcare, and consumable purchases like food.*

I hope that this illustrates the problem in a way every that American can understand. Even though Uncle Sam owes almost 6 times his annual income, he cannot start paying off the debt until he balances his budget.

The bottom line is that every household in America balances its budget, our business and non-profit companies balance their budgets or go out of business, state governments balance their budgets – and the federal government should too.

### THE SOLUTION: A BALANCED BUDGET AMENDMENT

A Balanced Budget Amendment will ensure the federal government can no longer spend more money than it receives. The idea is not new; it originated with our founding fathers.

*“I wish it were possible to obtain a single amendment to our Constitution. I would be willing to depend on that alone for the reduction of the administration of our government to the genuine principles of its Constitution. I mean an additional article taking from the government the power of borrowing.”*

*-Thomas Jefferson*

I believe the BBA is an idea whose time has come.

In fact, other countries are figuring it out. In the last five years, Germany, Austria, Italy and Spain have all added Balanced Budget Amendments to their Constitutions. Why? Because in a Republic, it is tempting for politicians to give their constituents more than those constituents pay for in taxes.

As you may know, 49 state constitutions, including Ohio's require a balanced budget; only Vermont does not require a balanced budget.

As you definitely know, a balanced budget amendment works! Ohio and other states make the tough decisions and balance their budgets.

As a Member of Congress, I have co-sponsored and voted to pass Balanced Budget Amendment Legislation, which would have required the federal government to balance its budget through the typical legislative process.

## **WHY GET INVOLVED:**

### **WHY SUPPORT AN ARTICLE V LIMITED CONVENTION?**

While I supported the legislation, unfortunately it does not seem likely that both Houses of Congress are going to be able to pass BBA legislation. Luckily, our founding fathers knew to set up a system for when Congress would not act, an Article V limited Constitutional Convention.

A Convention may be called by two-thirds, or 34, of the states and 38 states (three-fourths) must ratify any constitutional amendment.

To date, at least 17 states have passed Resolutions requesting a limited Constitutional Convention for the purpose of passing a Balanced Budget Amendment to the U.S. Constitution, but Ohio is not yet among them.

I would like to see you take the necessary steps to add Ohio to that list of states.

By passing SJR 5, Ohio will be formally requesting Congress call a Constitutional Convention on a Balanced Budget Amendment.

If we can get this effort passed in Ohio, it will put our nation one step closer to fiscal responsibility.

### **There are several reasons I believe you should get involved in this issue:**

- *First, we are all in this together as Americans – if the federal government does not balance its' budget, it will affect our economy*
- *Second, you have experience with a Balanced Budget Amendment*
- *Third, the Ohio Legislature still works across party lines to solve problems and this is a problem you can help solve.*

## **ADDRESSING SOME CONCERNS:**

### **Runaway Convention:**

I know there are some who are concerned about the possibility of a runaway convention that could lead to topics other than a BBA. To ensure there is not a runaway convention, our Constitution requires amendments proposed during constitutional conventions to be ratified by three-fourths, or 38 of the states. That is a strong protection.

### **Gimmick:**

Some people say a BBA is merely a gimmick. I would simply ask you, “Do you believe the Balanced Budget Provision in the Ohio Constitution is a gimmick?” I do not. But, even if it is a gimmick, it’s a gimmick that is working, because Ohio continues to balance its budget.

### **How it would work:**

There are questions about how a balanced budget amendment would operate. Certainly, that would depend on the wording of the amendment and how it is administered, but it would likely work like the provisions in the states.

## **CONCLUSION:**

By working together we can make a difference in the fight to rein in the uncontrollable government spending.

I would urge each Senator to support SJR 5 to ensure the federal government lives within its means.

Moving forward, it is my hope that we can use Ohio as a model for other states who are interested in becoming involved in this important debate about the future of our country.

Thank you again for allowing me to testify before you today.