

Representative Craig A. Frank proposes the following substitute bill:

**JOINT RESOLUTION URGING CONGRESSIONAL
AND PRESIDENTIAL OPPOSITION TO FEDERAL BAILOUTS
AND PROMOTION OF FISCAL RESPONSIBILITY**

2009 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Craig A. Frank

Senate Sponsor: John L. Valentine

LONG TITLE

General Description:

This joint resolution of the Legislature urges Congress to oppose bailout legislation and take actions to prevent the factors leading to the recession.

Highlighted Provisions:

This resolution:

- ▶ urges Congress to oppose any and all future proposed government bailouts of private industry;
- ▶ urges Congress to reassert its constitutional authority over Federal spending;
- ▶ urges Congress and the President to commit to stop deficit spending; and
- ▶ urges Congress and the President to take steps to avoid the inflation and stagflation experienced in the 1970s;
- ▶ expresses the Legislature's intent to reject any federal funding that comes with attached strings, regulations, or other restrictions.

Special Clauses:

None



26 *Be it resolved by the Legislature of the state of Utah:*

27 WHEREAS, America is embroiled in an economic crisis which threatens to become a
28 prolonged recession and perhaps even a depression;

29 WHEREAS, the previous U. S. Executive administration created a 17.4 billion auto
30 bailout package for two companies whose executives flew to Washington D.C. in three private
31 jet airplanes, then returned to Detroit and laid off 45,000 additional workers;

32 WHEREAS, the auto bailout package will not make the automobile industry solvent
33 because it does not address the underlying cause of the industry's financial difficulties;

34 WHEREAS, the United Auto Workers Union has already called on the current
35 administration to reject the wage reduction requirements spelled out in the bailout package;

36 WHEREAS, Bank of America received 15 billion dollars in bailout money, spent seven
37 billion dollars on interest in a bank in China, received an additional 10 billion dollars in
38 Troubled Assets Relief Program funds to complete its purchase of Merrill-Lynch, then laid off
39 35,000 American workers;

40 WHEREAS, top military leaders see the one trillion dollars of US treasury bills owned
41 by China as the greatest threat to the country's national security;

42 WHEREAS, the current administration has recently proposed giving an additional 75
43 billion dollars to bailout mortgage holders who cannot afford their current mortgages;

44 WHEREAS, the government appears to be engaged in picking winners and losers in
45 private industry by purchasing stocks, assets, or interests of certain private organizations;

46 WHEREAS, Congress passed a 787 billion dollar spending package that was released
47 at 11:00 pm and voted on at 2:00 pm the next day, making it physically impossible to have read
48 and understood the intended and unintended consequences of passing this major piece of
49 legislation;

50 WHEREAS, Congress also attached significant restrictions on dispersing the funds,
51 thereby making it next to impossible for the state of Utah to accept at least a part of what was
52 purportedly available for distribution;

53 WHEREAS, only 300 million dollars of the appropriation was earmarked for job
54 growth;

55 WHEREAS, before the most recent stimulus package was even signed, the White
56 House released a statement that another stimulus package was a distinct possibility;

57 WHEREAS, the total cost of the stimulus package is actually estimated at 1.3 trillion
58 dollars because of the cumulative debt service costs;

59 WHEREAS, Congress and the President are continuing the legacy of significantly
60 increasing the debt burden on generations of Americans yet to be born;

61 WHEREAS, Congress has begun nationalizing segments of the free market;

62 WHEREAS, this is a bipartisan problem that has been compounded over several past
63 decades;

64 WHEREAS, the US unemployment rate hit a 14 -year high in October of 2008 at 6.5%,
65 and over the past five months has continued a steady rise to 8.1%, the highest in 25 years; and

66 WHEREAS, none of the deficit spending, bailouts, or stimulus plans since January
67 2007 have forestalled the economic recession, protected American jobs, made American
68 companies more competitive, or relieved Americans of their tax burdens or debt service
69 obligations:

70 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah calls
71 upon all members of the United States Congress to oppose any and all future proposed bailouts
72 of private industry.

73 BE IT FURTHER RESOLVED that the Legislature calls upon all members of Congress
74 to reassert their constitutional authority over Federal spending and mandate that the Federal
75 government not be involved in purchasing stocks, assets, or interests of private organizations.

76 BE IT FURTHER RESOLVED that the Legislature calls upon Congress and the
77 President to restore worldwide confidence in the United States Government by committing to
78 stop deficit spending.

79 BE IT FURTHER RESOLVED that the Legislature urges Congress and the President to
80 take the appropriate steps to prevent massive double digit inflation and stagflation as
81 experienced in the 1970s.

82 BE IT FURTHER RESOLVED that as representatives of a sovereign state, the
83 Legislature expresses its intent to reject any federal funds that come with attached strings,
84 regulations, or other restrictions.

85 BE IT FURTHER RESOLVED that a copy of this resolution be sent to the President of
86 the United States, the Majority Leader of the United States Senate, the Speaker of the United
87 States House of Representatives, the United States Treasury Secretary, and to the members of

88 Utah's congressional delegation.

Fiscal Note

**H.J.R. 17 1st Sub. (Buff) - Joint Resolution Urging Congressional and
Presidential Opposition to Federal Bailouts and Promotion of Fiscal
Responsibility**

2009 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.