

**Testimony of Thomas Llewellyn
Michigan grassroots activist and
State Director, Balanced Budget Amendment Task Force Coalition**

**Before the Michigan Legislative
Financial Liability Reform Committee
January 30, 2014**

We know the problem. More and more Americans are becoming concerned about the financial mismanagement of our nation, and we want something to be done about it. Congress cannot or will not discipline itself. We have called for the Federal gov't. to act responsibly and stop this massive and unsustainable deficit spending, but have been ignored or be-rated as uncaring or just uninformed fear mongers.

Mr. Bill Fruth, co-founder of the Balanced Budget Task Force Coalition, in his testimony before this committee, showed how America is rapidly approaching financial collapse, having drained Federal Trust funds, borrowed extensively from foreign interests and in recent years the self-funding our own debt, generating a flood of newly printed money.

The only way back from this financial cliff is to rely on states pursuing the course before us under ARTICLE V of the U.S. Constitution.

The resolutions before us are in support of the Call for a gathering of delegates from each state to address the specific subject of a Federal Balanced Budget Amendment.

The authors of the U.S. Constitution insisted that WE THE PEOPLE (via the states) have EQUAL ACCESS to the amendment proposing process. They feared the natural tendency of a government to grow, eventually becoming more and more unresponsive and overbearing.

By acting on these resolutions, MICHIGAN WILL BE JOINING 20 STATES that have already declared their right to reign-in our out-of-control Federal government. Many more states are scheduled to follow in the next several months, quickly approaching the 34 state requirement.

Extensive research on the history of state's equal right to propose amendments under Article V, has shown that such a gathering of state delegates can be successfully managed by the state legislatures and can compel delegates to focus on the single subject before them, in this case to propose a balanced budget amendment.

Through Mr. Bill Fruth's testimony, we learned that attendees are to be commissioned by each state, and are appointed, not as "committed or free delegates" but as AGENTS of the specific state legislatures. **Just as a local relator cannot negotiate, say or do anything outside of the specific parameters you are authorizing him or her to do, your "commissioned agent" cannot "go-rogue" at an Amendment Convention.**

The Amendment Convention is an extension of the state legislative business, and thus cannot be equated with a political convention in any way. Mr. Fruth, in his BBA presentation, shows numerous examples of the control and focus of state commissioners during the 20 or more such inter-state convening events in our nation's history. These precedent-setting conventions (reaffirmed through court decisions), document conclusively that commissioned delegates have a fiduciary relationship (a legal obligation) to represent the state's position and to follow the specific subject and narrow purpose stated for the gathering.

One of the questions that came to mind during Mr. Fruth's testimony before this Committee last week was, "Will we be able to get our nation back on track in time to avoid a financial collapse?"

It is understandable that some would hold to the hope of "electing just a few more good men and women to Washington, and that might make a difference." But the reality is that we are a very long way from the needed 2/3 vote (in both houses) to pass such an amendment. (And who knows how much "real teeth" such a Congressional-based resolution would have; as the saying goes. . . the devil in the details.)

America desperately needs quicker action to reign-in the excesses of the Federal government if are to avoid the pending financial crisis.

We now have great insight of the day-to-day workings of the Framers, as they created our Constitution. Extensive research has revealed what was initially discussed and widely debated at the time. Armed with this background, Mr. Fruth and others have addressed the many questions and concerns of citizens and legislators nation-wide.

We occasionally hear of scare tactics from some (otherwise good intentioned people) that take advantage of the misconceptions and limited public knowledge on Article V. I feel it is totally irresponsible for others to prey on the legitimate fears and concerns of our friends and neighbors. Presented with the facts that are now available, Americans overwhelmingly favor this approach to get our nation back on a responsible fiscal track.

Let us honor the expectations of our Constitutional Framers and take this BOLD action (that they fully anticipated would be necessary) and pass these resolutions, today.

I wish to personally thank each of you for taking a stand to help get our country back on solid financial ground.

Generations from now, people will know of your courage to do the right thing and stop the self-destruction of America by those in Washington who know better, but just cannot help themselves.

I would like to have my testimony and attachments submitted for the record in the Committee's minutes.

Thank you for your attention and concern on this critical issue to the country.

Thomas Llewellyn
1651 Memory Lane
Milford, Michigan 48381

TomDirect60@gmail.com

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From Bill Fruth author of *The Ten Freedom Amendments*:

It is good we have this discussion. The following response completely debunks the 1787 Convention run-a-way myth.

Some have claimed the Philadelphia Convention of 1787 was a “run-a-way.”

Nothing could be further from the truth.

In 1786 there was a “convention of the states” held at Annapolis for the limited purpose of discussing “interstate trade and commerce.” The Annapolis Convention was one of about 17 interstate conventions held during the Founding Era, as a convention of the states was the means for the states to discuss common problems.

The delegates at Annapolis discussed the issue for which they were assembled but grumbled loudly about the deficiencies of the Articles of Confederation. Knowing they were **limited in their discussion by the subject of the call**, interstate commerce, they did not pursue recommendations regarding forming a new government. Instead, they recommended to their legislatures a convention be called for that purpose.

In 1787 the Virginia Commonwealth issued a call for a convention of the states **for the purpose of forming a new government**. Six more states, New Jersey, Delaware, North Carolina, Pennsylvania, Georgia, and New Hampshire quickly followed with resolutions for creating a new government.

At this point, the Confederation Congress, like any politician wanting to keep their job, passed a resolution **recommending** to the Convention it only amend the Articles of Confederation, **while acknowledging Congress had no authority over the Convention** (as Congress has no authority over a Convention for Proposing Amendments today).

This is the resolution which has been confusing people, thinking the Confederation Congress called the convention for only amendments. The states called the convention and the Confederation Congress had no authority to call any type of convention.

South Carolina, Maryland, and Connecticut passed resolutions instructing their delegates to consider forming a new government. However, Massachusetts and New York instructed their delegates to honor the will of the Confederation Congress, only to consider amendments to the Articles.

When the convention assembled, ten states had the authority to replace the Articles, two were instructed to only consider amendments, and Rhode Island did not attend.

As soon as it was apparent the Convention was going to write a new Constitution, two of the three New York delegates went home, honoring the instructions of their state. Alexander Hamilton remained as an “individual.” One of the four Massachusetts delegates went home. Three remained but only one signed the Constitution.

In total, of the 55 delegates which attended the 1787 Philadelphia Convention, only two signed the Constitution outside of the authority granted to them by their legislatures.

The Philadelphia 1787 Convention was never a “run-a-way.”

William H. Fruth
Co-Founder
Balanced Budget Amendment Task Force

October 7, 2013

Dear Michigan Legislator:

I am writing to urge your support for Senate Joint Resolution V, a Balanced Budget Amendment (BBA) Convention Application.

In the mid-1990s we came close to getting the votes required to propose a BBA in Congress. But when that effort failed there was a long hiatus during which a number of states rescinded their resolutions calling for a BBA, and interest in this effort fell off.

Today we are at a turning point when the need for a BBA is critical and when the support for it, especially at the grass roots level, is gaining momentum. The Congressional Budget Office projects that under current law federal deficits will continue to grow and the federal debt will increase to unsustainable levels. This unconstrained growth in deficits and debt will be accompanied by economic stagnation.

If we act now to reduce federal spending to equal federal revenues we can recover a sustainable fiscal policy and restore long run economic growth. But the longer we wait to balance the federal budget the more difficult this task becomes; indeed, if we wait and try to balance the federal budget a decade from now the task becomes insurmountable.

Given the makeup of this Congress I think that the last best hope for a BBA is an Article V Convention to propose a BBA Amendment. This will require an additional 17 states to propose a BBA resolution to get to the requisite 34 states required to call an Article V convention. Success in an Article V BBA convention would open up opportunities for the states to impose other limits on the power of the federal government, but our initial effort should be for a BBA.

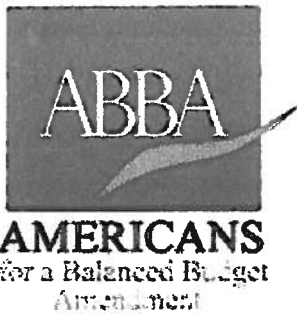
Please add your vote to that of your colleagues in the Michigan Legislature who support the Balanced Budget Amendment (BBA) Convention Application.

Sincerely,

Barry W. Poulson

Emeritus Professor of Economics

University of Colorado Boulder



October 7, 2013

Open Letter to Michigan Legislators,

Americans for a Balanced Budget Amendment, the nation's longest standing, active national organization which has promotion the Balanced Budget Amendment as its sole goal, www.balanceourbudget.com, would like to lend its full support to Senate Joint Resolution V, which calls for a convention for proposing amendments under Article V of the U.S. Constitution, to solely consider a Balanced Budget Amendment for the U.S. Constitution.

Recent national elections have put into office leaders in Washington D.C. who refuse to make the hard choices necessary for our country to balance its budgets and live within its means. For the first 200 years of our nation's existence, our country did a good job of balancing revenue and expenditures, apart from times of major wars. We have gotten away from this to such a degree that in the last five years alone, we have added more to the publicly-held portion of our debt than our nation accumulated in the previous 231 years of our existence! We are now running TRILLION DOLLAR deficits with no realistic plan to rein them in. Surely any thinking person realizes that this is not sustainable. We are headed toward a Greek-like fiscal disaster if we do not start becoming fiscally responsible again.

We urge the State of MICHIGAN to stand with the 17 other states which have already called for a convention to draft a Balanced Budget Amendment to be considered for addition to the U.S. constitution.

Sincerely,

Alan Parks, MD

President, Americans for a Balanced Budget Amendment

www.balanceourbudget.com

(512)557-2790 cell

Americans for a Balanced Budget Amendment
P.O. Box 3000 #86, Georgetown, Texas, 78267



October 8, 2013

Open Letter to the Michigan Senate Committee on Government Operations: Now is the Time to Rein in Federal Spending!

Dear Senator:

On behalf of National Taxpayers Union's (NTU's) 362,000 members nationwide and nearly 11,900 members in Michigan, I urge you to support Senate Joint Resolution 5, a Balanced Budget Amendment (BBA) Convention Application introduced by Senator Mike Green. This bill would affirm Michigan's leadership on the issue of proposing a Balanced Budget Amendment to the U.S. Constitution for ratification. If SJR 5 passes, Michigan will join 19 other states in exercising their constitutional prerogative to put our country on the path to fiscal sanity.

A Balanced Budget Amendment would enshrine in our Constitution a principle that our Founders simply assumed and abided by: the federal government should not spend more than it takes in, absent a specific, genuine emergency. Unfortunately, decades of fiscal mismanagement have proven that Congress as an institution is no longer capable of restraining itself, and that durable constitutional safeguards must have a role in limiting government. Washington has run deficits during 45 of the last 50 years.

Given this abysmal history, it becomes clear any solution to our spending crisis must come from outside Washington, D.C. Thankfully, the Constitution allows state lawmakers to exercise certain powers to prevent a catastrophe due to federal excesses. As we wrote in "Why You Must Lead the Congress" over two decades ago:

The Founding Fathers had no way of predicting the current irresponsible spending policies of the federal government. Yet although they could not foretell the future, they were men of great wisdom. They did foresee the possibility that Congress might fail the people. It is for that reason that Article V of the U.S. Constitution enables the states to amend the Constitution.

Recently you have received a great deal of misinformation about the Balanced Budget Amendment and the limited convention process from organizations that mistrust both your wisdom and that of the Founding Fathers. Yet, we urge you to consider a warning from our Chairman, David Stanley. Over 18 years ago, Mr. Stanley, who served as a leader in the Iowa State Senate, authored a document entitled "How to Restore Fiscal Sanity: State Legislatures Hold the Key," in which he wrote:

You would be suspicious of anyone who claims to support law enforcement but wants to abolish the police. You should be equally skeptical of anyone who claims to be for a Balanced Budget Amendment but against a limited convention to propose it. ...

The best way to ensure the survival of our Constitution and its guarantees of liberties is for the States to use the Constitution as the Founders intended – to pass enough Article V resolutions to force Congress to act. ... Unless we have the courage to use the tools the Founders in their wisdom gave us, our nation will become a laughingstock and bury our children under a mountain of debt.

Furthermore, the scholarship on behalf of Article V's relevance and utility has grown tremendously. Professor Robert Natelson, for example, has conducted painstaking research to show that the Founders certainly did not construct Article V as an afterthought or an accident. From its conception, the provision was intended to be vigorously applied toward remedies for federal overreach. Nick Dranias of the Goldwater Institute has, through an ongoing series of works, cogently demonstrated that Article V is a fundamental element in our constitutional system of checks and balances, one whose exercise is both necessary and safe. They join modern-era conservatives in proclaiming the vital role of Article V such as Justice Antonin Scalia, who in 1979 said:

I have no fear that ... extreme proposals would come out of a constitutional convention. ... The founders inserted this alternative method of obtaining constitutional amendments because they knew the Congress would be unwilling to give attention to many issues the people are concerned with, particularly those involving restrictions on the federal government's own power."

Those words echo the opinion of Ronald Reagan, who stated forthrightly:

... [V]oices have been raised warning of danger that a constitutional convention would open the door to all manner of proposed amendments. In my view those who warn of this show little faith in our democratic procedures. The Constitution provides for both methods and the convention is a safety valve giving the people a chance to act if Congress refuses to.

Yet, the naysayers against this process have failed to muster any credible evidence for their case, preferring instead to conjure up the "nonexistent constitutional ghosts" that the late Senator Sam Ervin, an Article V advocate, warned about more than 20 years ago. We were told that the cure for federal profligacy lies in "electing the right leaders," all while numerous Presidents and Congresses abused the nation's good credit. We were told that statutory measures would bring outlays under control, even as laws such as the Gramm-Rudman Hollings Act were trampled underfoot. We were told that elected officials need only "follow the Constitution," and there would be no justification to amend the nation's foundational document. Today, the entire republic that our Constitution undergirds and guarantees is threatened with extinction due to unsustainable federal policies. We were told that limits on taxes and spending were too trivial for the Constitution, a notion that seems quaint today as our gross federal debt exceeds the ominous level of 100 percent of the nation's economic output. Entitlement programs, whose dire condition has been known for at least 20 years now, threaten to heap unfathomable burdens on taxpayers.

Our members hope you will recognize these facts and pursue the most rational and safe option now by enacting an Article V resolution for a limited convention of the states to propose a Balanced Budget Amendment. That process begins by ensuring SJR 5 earns an overwhelming margin of support in the Michigan Senate. Please contact us with any questions you may have or information you may require. Above all, however, please do not allow this historic opportunity for reestablishing fiscal responsibility to slip from your grasp; for the sake of current and future generations of taxpayers, the time to act is now.

Sincerely,



Lee Schalk
State Government Affairs Manager



RONALD REAGAN

March 23, 1994

Dear Lew,

You are absolutely right. We can't depend on Congress to discipline itself, as House and Senate leaders have once again demonstrated in rejecting a balanced budget amendment.

You and I came very close to victory for the Tax Limitation/Balanced Budget Amendment in the early years of my administration. But the big-spending leaders of Congress stonewalled us at every turn and refused to pass an amendment that would have ended their reckless spending and deficits.

Lew, it is clear that we must rely on the states to force Congress to act on our amendment. Fortunately, our Nation's Founders gave us the means to amend the Constitution through action of state legislatures, which you have been wisely pursuing. Twenty-nine of the necessary 34 state legislatures have acted. Together we must get the final five state resolutions. That is the only strategy that will work.

I urge everyone who shares our values and goals -- from the grass roots to the executive suite -- to get on board and help you and the National Tax Limitation Committee with the final five state resolutions.


This requires personal effort and financial sacrifice because these state-by-state campaigns are tough and costly. You have persevered in this effort, and now that perseverance is about to pay off. But I know you can't do it alone.

You have the experience and track record to win -- if you have the necessary resources. From the time you worked for me in our

California administration you have remained focused on controlling, disciplining and reducing the size and power of government. You have helped many states do that. Now it's time to discipline Washington through the power of state resolutions.

Unless we act and act quickly, the people in the White House and those running Congress will bankrupt America. The good, honest productive people of America are frightened -- and angry. They must get behind you in this effort. Our opportunity has never been greater.

As I have said before: *If not now, when? If not us, who?*

Sincerely, 

Mr. Lewis K. Uhler
The National Tax Limitation Committee
151 North Sunrise Avenue, Suite 901
Roseville, California 95661

Article V - BBA Update 01/2014

State Resolution for a Federal Balanced Budget Amendment

PROGRESS IN MICHIGAN FOR BBA - As we begin the new year, Michigan is poised to join 20 other states calling for an interstate Balanced Budget Amendment Convention. Last month the Michigan Senate passed Joint Resolution "V" (SJR-V) with every Republican as co-sponsors. The Michigan House is now ready to consider their own updated BBA resolution, at the same time as SJR-V proceeds in committee.

2014 TO BE BANNER YEAR FOR BBA APPLICATIONS - The momentum for a state-driven BBA is accelerating. Our most recent success, Ohio, passed their BBA resolution just last November with true bi-partisan support. In the next few months more states (WI, SD, ID, SC, OK, TN, KY, FL, LA and AZ) are projected to call for the BBA Amendment Convention, as we accelerate toward the super majority of 34, triggering the Amendment Convention of the states.

STATES TO FINALLY SEEK A RESTORED BALANCE WITH FEDS - More and more states are asserting their Constitutional right to reign-in our out-of-control central government, and Michigan is at the forefront. The Article V provision for an interstate gathering to recommend a Federal balanced budget amendment, was specifically included in our Constitution for just such a scenario that we face today with an unresponsive & dysfunctional Federal government.

MOUNT VERNON ASSEMBLY - A GREAT SUCCESS - The December 7th gathering of 100 state legislators from 32 states started the process of establishing protocols for a near future Amendments Convention of States. The agenda was focused on developing the structure and organization for an orderly and productive meeting of state delegates to such an amendment proposing convention. Further gatherings are planned to formalize the rules of a convention.

SUPPORT BUILDING AT GRASSROOTS LEVEL - Along with the conservative coalition, BBA Task Force, a dynamic grassroots organization, *I Am American* promotes legislative efforts to bring about an amendment convention. IAA has been actively growing support for the BBA in a number of states. In Ohio, Michigan and a dozen more states, I Am American state leaders have been instrumental in rallying Tea Party groups and other civic organizations to support the state-driven BBA movement. Educational presentations are winning support nation-wide.

The Article V Call for BBA - The Big Political Story of the Year - Momentum is building support from all constituent groups that are concerned about the direction of our country. Scare tactics and other Article V Convention myths are being debunked and paving the way for the "people's option", as President Abraham Lincoln once described the state-driven amendment process. This is the one tool for states to fix Washington (DC), if we act quickly.

If you have questions or just want to learn more, go to the website, www.IAmAmerican.org or contact Tom Llewellyn, IAA Michigan State Director 248-880-8746 or TomDirect60@gmail.com