

WHEREAS, Each State of the Union is a sovereign entity with a constitution and authority to issue sovereign debt; and

WHEREAS, The legislature of each State of the Union has the authority to reduce spending or raise taxes to pay the obligations to which the State has committed itself; and

WHEREAS, The officials of each State of the Union have the legal obligation to fully disclose the financial condition of the State to investors who purchase the debt of such State; and

WHEREAS, Congress has rejected prior requests from State creditors for payment of defaulted State debt; and

WHEREAS, During the financial crisis in 1842, the Senate requested that the Secretary of State report any negotiations with State creditors to assume or guaranty State debts, to ensure that no promises of federal government support were proffered; therefore, be it

RESOLVED, BY THE [CHAMBER] OF THE [SESSION] GENERAL ASSEMBLY OF THE STATE OF [STATE], that we urge (1) the federal government to take no action to redeem, assume, or guarantee State debt; and (2) the Secretary of the Treasury should report to Congress negotiations to engage in actions that would result in an outlay of Federal funds on behalf of creditors to a State; and be it further

RESOLVED, That suitable copies of this resolution be delivered to the President of the United States, the Speaker of the United States House of Representatives, the Minority Leader of the United States House of Representatives, the Majority Leader of the United States Senate, the Minority Leader of the United States Senate, and each member of the [STATE] congressional delegation.