

A RESOLUTION

1 Opposing state bailouts by the federal government; and for other purposes.

2 WHEREAS, each state of the Union is a sovereign entity with a constitution and authority
3 to issue sovereign debt; and

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

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

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

10 WHEREAS, during the financial crisis in 1842, the Senate requested that the Secretary of
11 State report any negotiations with state creditors to assume or guaranty state debts, to ensure
12 that no promises of federal government support were proffered.

13 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES that
14 the federal government should take no action to redeem, assume, or guarantee state debt and
15 the Secretary of the Treasury should report to Congress negotiations to engage in actions that
16 would result in an outlay of federal funds on behalf of creditors to a state.

17 BE IT FURTHER RESOLVED that the Clerk of the House of Representatives is authorized
18 and directed to transmit an appropriate copy of this resolution to the public and press.