**A** **CONCURRENT RESOLUTION**

TO SUPPORT A COMPREHENSIVE STATE MANAGEMENT PROCESS TO ASSESS THE IMMEDIACY, SEVERITY, AND PROBABILITY OF RISKS FROM ANY REDUCTIONS OF FEDERAL FUNDS TO THE STATE AND HOW THE STATE WILL MARSHAL ITS RESOURCES, BOTH HUMAN AND CAPITAL, TO PRIORITIZE AND PROVIDE THE MOST ESSENTIAL GOVERNMENT SERVICES.

Whereas, the members of the South Carolina General Assembly declare that the nation’s fiscal recklessness poses a great, clear, and present threat to America’s future; and

Whereas, David Walker, former Comptroller General of the United States warns, “The most serious threat to the United States is not someone hiding in a cave in Afghanistan or Pakistan, but our own fiscal irresponsibility”; and

Whereas, the federal government is now in its fourth year without passing a budget; and

Whereas, the national debt has now surpassed $17 trillion, more than $140,000 per household; and

Whereas, annual deficits have exceeded $1 trillion for each of the last four years, and unfunded obligations for social programs now exceed $85 trillion, with no apparent Congressional resolution on the horizon; and

Whereas, it took two hundred years for the United States of America to accumulate the first trillion dollars in debt and only two hundred eighty‑six days to accumulate the most recent trillion; and

Whereas, $85 billion per month of the national debt and annual deficits are now offset through Federal Reserve operations such as “quantitative easing” and “operation twist”; and

Whereas, states receive between twenty‑four percent and forty‑nine percent of their general revenue from federal funds, and on average rely on the federal government for thirty‑six cents of every dollar spent in state budgets; and

Whereas, in its recently released audit of the federal government’s financial statements, the Government Accountability Office declared, “Over the long term, the structural imbalance between spending and revenue will lead to continued growth of debt held by the public as a share of gross domestic product; this means the current structure of the federal budget is unsustainable”; and

Whereas, this fiscal scenario is by all accounts unsustainable for the nation as well as for our State; and

Whereas, in May 2012, the American Institute of Certified Public Accountants, in its review of the federal government’s most recent annual financial statements, warned, “The U.S. is not exempt from the laws of prudent finance. We must take steps to put our financial house in order. The credit rating agencies have recently issued renewed warnings of U.S. credit downgrades unless substantive reforms are made. Our current fiscal policy results in mortgaging our nation’s future without investing in it, leaving our children, grandchildren, and future generations to suffer the consequences. This is irresponsible, unethical, and immoral”; and

Whereas, restoring fiscal sanity and sustainability is at the heart of jumpstarting economic growth and fostering a business climate where companies can grow and begin to hire; and

Whereas, absent credible actions to address this fiscal irresponsibility, uncertainty will continue to dominate business decision making and economic recovery will languish. Now, therefore,

Be it resolved by the House of Representatives, the Senate concurring:

That the members of the South Carolina General Assembly, by this resolution, wholeheartedly support a comprehensive state management process to assess the immediacy, severity, and probability of risks from any reductions of federal funds to the State and how the State will marshal its resources, both human and capital, to prioritize and provide the most essential government services.

Be it further resolved that the General Assembly strongly urges:

(1) local, state, and national representatives to take immediate and sustained action to eliminate deficit spending and secure economic self‑reliance to the State and to the United States; and

(2) the President of the United States and the United States Congress to pass a budget each year and adopt a credible and sustainable plan to balance those budgets; and

(3) South Carolina’s local governments to adopt and implement comprehensive financial risk management measures as soon as possible.

Be it further resolved that copies of this concurrent resolution be sent to the President of the United States, the Majority Leader of the United States Senate, the Speaker of the United States House of Representatives, and to each member of the South Carolina Congressional Delegation.

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