

The Financial Responsibility Amendments

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Introduction

Broke! Bankrupt!

You know it and I know it. Our government is broke.

This is not an exaggeration. It is not hyperbole. It is not an overstatement.

“Broke”, as in “broken”.

Despite what the Modern Monetary Theorists claim, when you borrow money to pay the interest on what you owe; when your spending exceeds your income every year; when you steal from other people’s trust funds to cover your bills, that’s as broke as broke gets. Yes, we are – our government is – broke.

Unless we change course, our financial misconduct *will* destroy our country. Don’t shoot the messenger. This is not a political opinion. It is a mathematical reality.

Now this *is* a political opinion – supported by the facts: recent deficits and our growing debt have in recent years been rationalized by a bit of nonsense called Modern Monetary Theory (MMT). Predictably popular among academia and liberal elites, MMT is a macroeconomic supposition. It asserts that countries that issue their own currency – what they call “monetarily sovereign countries” such as the U.S., U.K., Japan, and Canada – countries that spend, tax, and borrow in their own fiat currency that they fully control, are not operationally constrained by revenues when it comes to federal government spending. Translation: spend what you want even if what you spend exceeds what you bring in. Brilliant, eh?

Put simply, Modern Monetary Theory decrees that such “monetarily sovereign” governments need not rely on taxes or borrowing for spending since they can print as much money as they need and are the monopoly issuers of their currency. Since their budgets are not like a regular household’s budget, the MMTers say, government policies should not be shaped by fears of a rising national debt.

Yes, this is the nonsense we pay our college professors to dream up. It is as broken a concept as is our government’s budget. It plays directly into the hands of a socialist left intent on the economic destruction of our democratically capitalist society.

According to MMT, we should not have experienced the nearly 16 percent cumulative inflation that we witnessed during the first 31 months of the Biden Administration through July 2023. No! Paying people to stay home -- dumping trillions of unearned dollars into the economy without a commensurate increase in productivity -- was not supposed to matter! But instead, we saw the result, and it has not been pretty. Since January 2021:

- Overall, inflation roared back to its highest rate in 40 years.
- Gasoline prices rose by 51.2%.
- After adjusting for inflation, real weekly earnings declined by 3.4%; and
- Debt held by the public has risen by 18.9%

The Federal Reserve Board is struggling to bring down inflation AND to prevent its recurrence, while not killing the economy. Home mortgage rates are now at a 22-year high and may go higher. Home affordability has never been lower, with the average home price now at more than \$400,000.

In fact, when you increase the money supply more rapidly than the rate of productivity, you *will* – you eventually *must* – create inflation. This is not actual rocket science, unless, of course, you are an overpaid underworked college professor. Incidentally, I don't have the most recent numbers, but a few years ago, professors at Arizona State and at the University of Arizona – described by the Arizona Board of Regents as “research universities” – devoted, on average, no more than 4-5 hours *per week* teaching classes. They spent the rest of their time doing “research” – no doubt into the wonders of Modern Monetary Theory and other brilliant alternative left-narrative-compliant explanations of the universe. Nice work if you can find it.

The Three Games

Our nation's financial condition is the direct result of three games we have played for far too long: *The Credit Card Game*, *The Buy Our Vote Game*, and *The Big Brother Game*. If we end the games we save our nation. If we don't, we lose our nation.

The Financial Responsibility Amendments (FRAs) that I propose, or amendments very much like them, can – and *must* -- end all three games. They *will* save our nation. They are that important. They are long overdue. The need is urgent. They will put America's financial house in order, ensure the benefits of liberty for countless generations, and set our nation back on its intended course of unimaginable greatness – *and* wealth.

We got ourselves into this mess. We let it happen. We owe it to everyone – our children, grandchildren, all future American generations, and to the world – to fix it. -- *now*.

Everyone is Broke

The problem is not confined to the Federal Government. Our states, territories and local governments are also broke. The amounts are nearly incomprehensible. Often, these governments are overwhelmed by unsustainable defined benefit plans that have been

enhanced over many years. Conflicting estimates abound. I find that debt and unfunded liability numbers are sometimes co-mingled, confused or excluded. The numbers we discuss here represent my best effort to parse the data. Remember, these numbers will be *worse* by the time you see this:

Our combined debts and unfunded liabilities at all levels of government now exceed \$36T.

- According to the Tax Policy Center, in 2020, out of 176.2 million individuals and married couples who could file a tax return, about 144.5 million did so. Of those 144.4 million, 75.1 million paid *no* taxes after deductions and credits. That left 69.4 million American taxpaying households. They foot the bill!
- Those taxpaying households each owe \$524,006 in unpaid debt liabilities.

I mention these numbers not to discourage you, but to impress upon you the urgency of our situation. *We will* solve this – *with* your help.

Our Three Financially Fatal Games

Three fatal games have caused our dismal financial situation. We've played them for years. If we do not end the games, we will end our nation. They are:

- **The Credit Card Game.** *Congress borrows excessively, steals from public trust funds, and uses borrowed money to pay the interest on our growing debt.*
 - Excessive borrowing is no different than you or I choosing to live recklessly beyond our means.
 - Raiding public trust funds such as Social Security and Medicare is no different than the drug addict who steals to buy his next fix. In the private sector, raiding a trust fund is a felony. I repeat, in the private sector, raiding a trust fund is a felony; and
 - Using borrowed money to pay interest on our debt is no different than borrowing from one credit card to pay the interest on another.

The credit card game *always* ends badly.

- **The Buy This Vote Game.** Sure, there are many examples of politicians buying votes. When a politician hands you his dollar for your vote, that's a crime. But if that same politician with the power to tax hands you someone else's dollar, that's politics, baby!
- Buying the votes of some people by using the taxes paid by other people is an unsavory practice. But it will probably always be with us. However, the payment of unrealistic and unsustainable public-employee pensions and benefits have created massive unfunded liabilities that are bankrupting federal, state, and local governments. Legislators who negotiate with public unions are supposed to represent

the constituents who are *not* at the table. But, predictably, they primarily represent their own political interests. While the public at large is not focused on such negotiations, the public employee unions are entirely focused on them. They can – and do – mobilize their members in a heartbeat to support or oppose the very politicians who are supposed to be negotiating with them on behalf of the broader public interest. The result is inevitable: *the purchase of public employee support with your tax dollars*. Wild benefit promises made to public employee unions in exchange for their political support violate the rights of all *other* citizens. We must fix this even as we treat our public employees fairly.

- **The Big Brother Game.** *Our out-of-control regulatory process automatically propels the growth of government. It costs taxpayers trillions of dollars each year and violates our fundamental rights.* Make no mistake: regulations have the force of law. For all practical purposes they *are* laws. In my opinion, Congress has excessively and unconstitutionally delegated its lawmaking responsibility to unelected bureaucrats. The result: a self-perpetuating regime of expensive administrative fiat that contributes to the automatic growth of government without the consent of the governed.

Why We *Must* Adopt the Financial Responsibility Amendments

More than eight years ago – in 2015 – I penned what I called The Financial Responsibility Amendments. I had hoped to launch a movement called the “FRA” – for Financial Responsibility Amendments.

However, a few months later, new business at our investment advisory firm exploded. DeGreen Capital Management grew at an astronomical rate; and it took all my efforts to manage that growth and serve our clients – old and new alike.

So, unfortunately, the FRA movement died of neglect – until now. Frankly, at 74, I’m getting a bit long in the tooth to lead what will probably be multi-year effort to pass these amendments. So, I am hoping – sincerely hoping – that America’s BYPs will step up and lead the charge. What are PYPs? Bright Young People, of course! I will help in any way I can, but it is time for the next generation to know the consequences of our out-of-control fiscal mismanagement. I therefore challenge you to pick up the mantel and lead the charge!

My three proposed Financial Responsibility Amendments:

1. *Provide a permanent Constitutional context for responsible financial decision-making by our elected leaders. They thereby bequeath to each generation the right to make their own tough choices.*

2. *They protect public trusts such as Social Security and level the playing field between public- and private-sector employee pension and benefit costs; and*
3. *Finally, they reduce the automatic growth of government caused by excessive regulation and diminish their financial impact on citizens -- all while better protecting our right to representative government.*

Of Course, It Can Be Done!

Americans have successfully amended the U.S. Constitution 27 times since it was ratified in 1788. Since the adoption of the Bill of Rights in 1791 (the first ten Amendments), we've amended our Constitution, on average, *more than once every fourteen years*.

Please do not – I repeat, *do not* – believe for a moment that we cannot amend our Constitution yet again.

Please *do* – I repeat, *do* – reject the nonsense that by attempting to amend the Constitution we will subject our entire system to radical revisions.

All successfully ratified Amendments have one thing in common: *they were presented to the states as “yes” or “no” questions*. A properly drafted Amendment does not open the door to endless mischief. No ratified Amendment ever has, nor will ours.

As explained in Article V of our Constitution, amendments may originate either from Congress for approval by the state legislatures, or from a Constitutional Convention called by the states. In truth, no ratified Amendment has ever originated from a state-mandated convention. However, this approach cannot be ruled out, and has been threatened in the past to spur congressional action. When authorizing a convention, states can limit the convention's authority to consideration of a single question – or in this case three. While the President plays no formal role in the Amendment process, he or she can obviously play a key role in promoting – or defeating -- Amendments.

Here is the applicable provision of our Constitution:

Article. V of the United States Constitution: *The Congress, whenever two thirds of both Houses shall deem it necessary, shall propose Amendments to this Constitution, or, on the Application of the Legislatures of two thirds of the several States, shall call Convention for proposing Amendments, which, in either Case, shall be valid to all Intents and Purposes, as Part of this Constitution, when ratified by the Legislatures of three fourths of the several States, or by Conventions in three fourths thereof, as the one or the other Mode of Ratification may be proposed by the Congress...*

Again, I implore you to remember what is at stake – the very survival of the greatest nation ever conceived. We can – *we shall* –make this happen, with *your* help.

Our Goal

The goal of the Financial Responsibility Movement (FRM) is simple, but not easy:

To achieve the ratification all three Financial Responsibility Amendments (FRAs) as Amendments to the United States Constitution, and to ensure that the government faithfully complies with their requirements.

To accomplish our goal, we must employ practical political strategies. These will include the establishment of one or more political action committees to:

- Relentlessly push for ratification.
- Raise and disperse funds exclusively in support of the Amendments.
- Provide education regarding the urgency of the matter.
- Promote the Amendments to the American public.
- Endorse and aggressively support candidates who support the Amendments and hold them accountable.
- Shepard the Amendments through either Congress and the state legislatures, or conventions authorized by state legislatures, as necessary for their successful ratification; and
- Establish a continuing non-partisan compliance committee to help ensure that the Financial Responsibility Amendments are faithfully implemented.

I know. It's a tall order! But democracy is a tall order, and it is our job to rise to the challenge.

Is This Our Legacy?

I encourage you to visit www.usdebtclock.org for a sobering, ever-worsening picture of our nation's finances. Our *annual deficits*, our *accumulating debt*, and our *unfunded liabilities* (the extent to which government benefit programs are underfunded) all point to one conclusion: America is financially bankrupt now. It is not an overstatement to say that our nation's fate – and freedom itself – depends on whether we – *today* – confront and solve the problem.

Meanwhile, we are leaving a horrible legacy. Our children and grandchildren are less free to decide our nation's priorities than we were; yet every *free* generation should possess that unfettered, absolute right.

We can change all this. We can leave a legacy of financial responsibility. *We can* save our nation!

The Transition toward Sound Financial Management

As you read the first paragraph of each of the three FRAs you will have a pretty good idea of what each will accomplish.

However, our nation's finances are complex. Each Amendment must devote substantial language to the transitional process of unwinding existing practices. Over time, as the transition is complete, a portion of each Amendment's language will no longer be relevant to us. However, it may serve as a roadmap for other nations who will wish to emulate our success – much as many nations have embraced our Constitution.

If we were a new country starting fresh, the language of each Amendment would be much simpler. However, we have complex fiscal practices already in place. These involve trillions of dollars. Therefore, we must cautiously but diligently transition from our current calamitous course toward a permanently sound solution. This *transition process* is the most complex part. It must equitably change old habits without penalizing those who have relied on them, and without setting standards that cannot be immediately met. This prudent but determined approach will set the foundation for generations of sound financial management.

Even financially responsible governments borrow money, must occasionally run deficits, usually offer and manage pensions and benefits, and must have protocols in place to deal with many eventualities.

That is why, even after discounting the transitional language, the FRAs may seem complex to some; but each contains at least one simple, inveterate principle. *Meanwhile, each sentence of each Amendment has been thoroughly researched, and is there for a reason.*

I prepared a pamphlet that is organized to help you navigate some of the intricacies. In the pamphlet you will find:

- This introduction
- The “Reasons Why” for each Amendment; and
- Each of the three Amendments

The Financial Responsibility Amendments are not partisan; unless you regard freedom itself as a partisan issue; they hold no bias, unless your bias favors freedom for all generations; and they favor no specific solution to our many challenges, unless you regard responsible financial stewardship as a solution.

There are Many Ideas, but only One Path

There is no shortage of credible ideas for fixing, for example, our schools, tax code, healthcare system, Social Security, our banking system, or the environment.

These are just some of the issues we face today. But future generations will face issues beyond our ability to imagine.

The timeless brilliance of our Constitution is not that it attempts to tell Americans what solutions they should reach. Instead, it provides the democratic context – the *path* of representative democracy -- in which problems must be solved. This context – this path -- gives voice to competing interests on every issue.

In computer terms, if you regard the great issues we will always debate as the “apps”, the Financial Responsibility Amendments are the long-overdue “financial operating system”. Apps change, but the right operating system can accommodate those changes for hundreds of generations to come.

As I will explain in a moment, the Constitution devotes very few words to the subject of *how* Congress must manage the nation’s finances. Providing a more detailed blueprint for the responsible management of our nation’s finances is long overdue.

Does All This Involve More Taxes, Austerity or Growth?

The Financial Responsibility Amendments will force Congress, the states, and our local governments to engage in the real debate over how to manage the money we have, and how to increase revenues, rather than the false debate over how to spend more than we have, while endlessly financing the difference.

Should we raise taxes, reduce government spending, or lower taxes to grow our economy, producing greater wealth and tax revenue?

Personally, I am strongly in the pro-growth camp. But the Financial Responsibility Amendments are neutral – and should be. Their job is not to decide such matters, but to create a context in which each generation may responsibly find their own solutions.

Are the FRAs Too Much, Too Little?

Just as surely as some will feel that The Financial Responsibility Amendments go too far, others will feel they do not go far enough.

There are other proposed amendments out there, on many subjects. I don’t disrespect those efforts, or the right of others to present them. But I assert here, unequivocally, that they won’t matter if our nation does not survive financially.

We must put our financial house in order *first*. Only then will we retain the freedom to make the tough choices that lie ahead.

The Main Thing

One of my favorite sayings is this:

The main thing is to keep the main thing the main thing.

While other ideas abound, while some will want to debate the merits of various financial solutions even before we create the Constitutional context for such a debate, and while

others will insist there is no problem at all, we must – must – keep the main thing the main thing.

Our main thing is this: End the three games that have caused the problem; and provide a Constitutional roadmap to ensure America's financial greatness forever.

FRA Summary

Here is a summary of the Financial Responsibility Responsibility Amendments:

The Financial Heritage (Responsibility) Amendment (#28)

- Ensures that debts are repaid within a reasonable time without using more borrowed money to repay them.
- Makes some technical distinctions regarding how we treat “public debt”, “non-public debt” and “war debt”.
- Provides specific debt repayment deadlines depending on the type of debt.
- Protects trusts like the Social Security Trust from being raided by politicians; and
- Requires the government to issue financial reports using “generally accepted accounting principles” (GAAP), to eliminate deceptive reporting practices.

The Public Employee Fairness Amendment (#29)

- While giving public employees a square deal, provides the financing to convert over the next 20 years, government “Ponzi scheme” defined benefit retirement plans to conventional defined contribution plans. Defined benefit plans rely on an increasing number of younger employees to pay for the increasingly long retirement of older employees. As the financial statements of most state and local governments attest, that approach is unsustainable. It truly is a Ponzi scheme. The Public Employee Fairness Amendment also...
- Puts *defined contribution* public retirement plan contribution levels and benefit payments on an equal footing with the rest of us.

The Regulatory Responsibility Amendment (#30)

- Requires that Congress approve regulations impacting the public before they take effect. For too long Congress has abdicated its legislative responsibility to an unelected bureaucracy. The Regulatory Responsibility Amendment also
- Requires, over time, that Congress approve existing regulations for them to stay in effect. It also
- Exempts administrative regulations that don't affect the public; and
- Restricts a President's use of “Executive Orders” without the approval of Congress.

To Whom Do They Apply?

The Financial Responsibility Amendments:

- Would apply to all levels of government, including Congress, the States, and territories, and to local governments.
- May all be enforced by any citizen, subject to reasonable court rules; and
- Expressly do not otherwise infringe upon the rights of the People.

Understanding an Important Chapter in Our History

I offer this bit of history to provide historical context regarding our mission. I invite you to reflect on the incredible, almost miraculous accomplishment of our Founders, I encourage you to consider the profound duty we each carry to ensure that their dream survives.

Cool History, Hot Summer

In 1787, beginning in May, and through the hot Philadelphia summer delegates from twelve of the thirteen new United States¹ forged our Constitution. Rhode Island refused to attend. The delegates approved the Constitution on September 17. Exhausted, they then promptly went home.

On June 21, 1788, New Hampshire became the ninth state to ratify the Constitution. Having been ratified by nine of the thirteen states, the Constitution officially became the Supreme Law of the Land, even as other states took much longer to ratify the document.

By the spring of 1789, the first Congress had already been elected and convened, and our first President, George Washington², had been inaugurated. Incidentally, so great was his prestige that Washington was the only President ever to have been elected unanimously by the Electoral College – not once, but twice!

Thus, was won what I call the *second* American Revolution.

Both American Revolutions

Throughout history, most revolutions have been fought in two phases. First the winning of independence from an oppressor; and next the establishment of a government intended to be better than what it replaced.

Inevitably, the *second* aspect of every revolution is the most important long term – the effort to give lasting meaning to the sacrifice of those who fought in the first.

Sadly, many second phases of many revolutions often produce profoundly disappointing results. For example, as our first revolution against the British was ending, George Washington was encouraged to march his troops into Philadelphia and to take control of the government as Dictator-in-Chief. He declined, and the America we know was born.

Our *first* American Revolution officially ended with the Treaties of Paris and Versailles on September 3, 1783, as Great Britain surrendered sovereignty over the United States.

This *first* Revolution was fought to win *independence* from Great Britain. At the time, not a single state intended to surrender its sovereignty to yet another powerful central government.

However, by 1787 it was clear that the loose affiliation of independent and sovereign states created on November 15, 1777, by The Articles of Confederation was insufficient to conduct foreign and domestic business, or to manage our nation's debts. It was also clear that settlement of our western lands, stretching potentially to the Pacific, would require a unified national government.

Thus, the *second* American Revolution was won by those who sought a truly unified national government.

How did they do it? In 1787 James Madison, John Jay, Alexander Hamilton, and George Washington, with the help of Governour (his actual first name) Morris, combined practical politics with their then-radical theory of Representative Democracy. Almost single-handedly they managed to redirect the local and often parochial interests of the states toward creation of the greatest national *democratic* government in the history of mankind.

From well before the 1787 Constitutional Convention, at which Washington lent his enormous prestige as Chairman, until the ends of their lives, these men, and many others, fought to establish a government constrained enough to effectively protect the rights of the People, while powerful enough to effectively serve the public interest.

When the Constitutional Convention delegates adjourned in September 1787, they knew full well that, among other things, the Constitution did not yet provide a comprehensive, but non-exclusive list, later known as our *Bill of Rights*, to articulate the innate rights of the People.

They left this, and other work unfinished; but they also left something profoundly important – Article V of the Constitution. As we've discussed, Article V prescribes the two methods available to amend our Constitution. The first is from Congress to the States. The second is from the state legislatures through a Convention.

The procedure is simple, but not easy. It should not be easy. The bar is high, as it should be.

By 1791 the first ten Amendments – our *Bill of Rights* -- had been ratified by the states. Since then, seventeen other Constitutional amendments have been ratified.

It is critically important to remember that, in every case, the states were presented with a simple question: To approve or disapprove the *precise* wording of the amendment presented. Whether an amendment originates from the states or from Congress, fears of an open-ended convention where all aspects of our Constitution might be thrown open for debate, are hogwash.

It is true that some states, during the Constitutional ratification process, attached conditions to their ratification. When possible, those conditions were ignored or treated as “suggestions”; where not, the conditional ratifications were treated as “no” votes. Many other states offered recommendations to improve the original Constitution, foremost of which was the recommendation to include a declaration of rights. But such recommendations did not affect the central question of whether a state approved or disapproved either the Constitution, or subsequent Amendments, *as submitted*.

The delegates at the Constitutional Convention of 1787 were kept busy enough preparing a founding document that could not only be both ratified but also be able to stand the test of time. Nor could they have envisioned the enormous complexity of our nation’s finances today. Nevertheless, what they accomplished was nothing short of a miracle.

Our Mission

Now, it is *our* turn! I encourage you to examine the Financial Responsibility Amendments and my comments to them in Part II of this document. You may also share your comments or organize action on our website at www.degreen.com.

Yes, now it is *our* turn to right the ship, to preserve the revolution, to remain not only the world’s brightest light, but also its most reliable and financially stable beacon of freedom for generations to come.

What Follows are the Financial Responsibility Amendments

The Financial Heritage (Responsibility) Amendment

Why is this Amendment so important? *Because no generation should financially encumber future generations; because each generation has the duty to protect the economic freedom of future generations; because paying debts with borrowed money is a fool's errand; because the prudent management of our government's debt and finances requires a greater measure of Constitutional guidance; and because the Government's management and reporting of the Public's money must always remain above reproach.*

Therefore, I propose that we therefore amend Existing Article I, Section 8, Clause 2 as follows:

(Existing Constitutional text, below, is *italicized*)

Twenty-Eighth Amendment to the United States Constitution ***Amending Article I, Section 8, 2nd Clause***

Section 1 of Amendment

To borrow Money on the credit of the United States, while ensuring that debt is repaid within a reasonable time, liabilities are appropriately funded, and while ensuring the integrity of reports and projections regarding the Public's money.

Section 2 of Amendment

Prospective Debt: All Public Debt, being debts of the Government not among those defined as "Non-Public Debt" or "War Debt" herein, incurred after adoption of this Amendment shall be fully repaid within no more than **thirty years** from when first issued, without recourse to default, extension beyond thirty years from when first issued, or refinancing unless refinanced upon more favorable terms without extension beyond **thirty years** from when first issued.

Section 3 of Amendment

Prospective Non-Public Debt: Non-Public Debt shall consist of amounts loaned or borrowed between or among the branches of the Government, the departments and agencies of the Government, Public Trust Accounts and the branches of the Government or the departments and agencies of the Government, and amounts loaned or borrowed among all levels of Government within the United States, its Territories, or the District of Columbia; or of all debts of the Government not otherwise regarded as Public Debt. Non-Public Debt issued after the date of adoption of this Amendment shall be fully repaid within no more than **thirty years** from when first issued, without recourse to default, extension beyond **thirty years** from when first issued, or refinancing unless refinanced upon more favorable terms without extension beyond **thirty years** from when first issued.

Section 4 of Amendment

Existing Debt: Public and non-Public Debt, existing as of the date of adoption of this Amendment shall be fully repaid within no more than **sixty years** from the date of adoption of this Amendment, without recourse to default, extension, or refinancing unless refinanced upon more favorable terms without extension beyond **sixty years** from the date of adoption of this Amendment.

Section 5 of Amendment

Unfunded Liabilities: All unfunded liabilities existing as of the date of adoption of this Amendment shall be brought current, and shall be kept current, within no more than **thirty** years from the date of adoption of this Amendment, without recourse to default, extension, or refinancing unless refinanced upon more favorable terms without extension beyond thirty years from the date of adoption of this Amendment. Funding for liabilities incurred after the date of adoption of this Amendment shall be kept current in a manner consistent with generally accepted accounting principles commonly used in the United States.

Section 6 of Amendment

War Debt: Public Debt incurred in fact for national defense during periods of war as declared by Congress shall be repaid within no more than **sixty years** from when first issued, without recourse to default, extension, or refinancing unless refinanced upon more favorable terms without extension beyond sixty years from when first issued. This section shall apply only in years when national defense expenditures during periods of war as declared by Congress in fact exceed thirty percent of the Federal Budget and shall apply only to the excess above thirty percent in the year incurred. All other debts incurred for national defense shall be repaid within **thirty years** pursuant to either the “Prospective Debt” or “Existing Debt” paragraphs of this Amendment, as applicable.

Section 7 of Amendment

Debts Owed to, and Management of, Public Trusts: The term “Public Trust” includes, but is not limited to, the Social Security Trust Fund, or its successor funds, and to all other trusts established for the collection, management, and distribution of assets for the benefit of individuals, parks, and other Government facilities. All existing Government Debt owned by Public Trusts shall be repaid within no more than **thirty years** from the date of adoption of this Amendment without recourse to default, extension, or refinancing unless refinanced upon more favorable terms without extension beyond **thirty years** from the date of Adoption of this Amendment. From the date of adoption of this Amendment forward, each Public Trust fund shall be segregated from, and shall be maintained and reported upon separately from all other accounts, and neither the Congress, the President, nor the Courts shall compel Public Trusts to invest in Government Debt, although Trustees may independently elect to do so; nor shall Congress or the President encumber or pledge the assets of any Public Trust, except for the stated purpose of each such trust. All Public Trusts shall be managed in accordance with fiduciary standards

commonly applicable to other non-Government trusts within the United States and shall employ a “prudent person” standard of investment, which may include investments other than bonds, provided that no such investment favor individual enterprises over others.

Section 8 of Amendment

Debts of the States, Territories and Political Subdivisions: With the exception of underwriting, funding or guarantees existing upon adoption of this Amendment, and with the exception of debt incurred to facilitate the transition from defined benefit to Defined Contribution Plans described below, neither Congress nor the President shall underwrite, fund or guarantee the debt of any State, Territory, or Political Subdivision thereof; nor shall the Courts impart or impose a duty upon the Federal Government with respect thereto. However, Congress may guarantee debt directly related to the transition from defined benefit to Defined Contribution Plans, pursuant to Amendment 29.

Section 9 of Amendment

Accounting and Reporting: All financial books and records, all Public and Non-Public Debt, and all liabilities shall be accounted for and published, at least quarterly. Accounting shall include the publication of payment or funding schedules for each debt or liability. All such reporting shall be in accordance with generally accepted accounting principles commonly used in the United States.

Section 10 of Amendment

Modeling, Legislative Standard, and the Courts: When calculating and projecting the potential impact to revenues and spending of proposed legislation, and when reviewing the impact of existing laws, Congress and the Courts shall employ those generally accepted accounting principles commonly used in the United States and shall further employ dynamic modeling as that term is reasonably understood on the date of adoption of this Amendment. Dynamic Modeling projections shall take fully into account the reasonable economic consequences, both positive and negative, of spending or taxation, or of tax reductions, over time. Legislation that cannot reasonably, by these standards, be either currently funded or financed within the constraints contained in this Amendment shall be declared invalid by the Courts; but no such declaration by the Courts shall be made until non-compliance with these standards is reasonably proven by a preponderance of the evidence. In such cases, the Courts may employ neutral independent experts, at their discretion, to advise them with respect to their determination.

Section 11 of Amendment

Legislation: Within one year from the date of adoption of this Amendment, the States and Territories, and the Political Subdivisions thereof, and the District of Columbia, shall pass legislation applicable to themselves to require their compliance in all respects with this Amendment. Should such legislation fail to become law, then upon the expiration of one year from the date of adoption of this Amendment, this Amendment shall also

specifically apply to the States and Territories, and to the Political Subdivisions thereof, and to the District of Columbia, with the word “Congress” replaced by the words “Legislature”, “Council” or “Board” as the case may be; with the word “President” replaced by the words “Governor”, “Mayor”, or “Chief Executive Officer” as the case may be; and with other words herein replaced, as necessary, with corresponding words logically applicable in each case, provided the requirements of this Amendment apply.

Section 12 of Amendment

Enforcement, Standing: Within the Courts of the United States, without a showing of harm, regardless where domiciled, and regardless of the amount in controversy, the following have standing to seek enforcement of this Amendment: the Governors or Legislatures of **States** and **Territories** shall have standing to seek enforcement with respect to their respective States and Political Subdivisions, and with respect to the Federal Government; **Congress or the President** shall have standing with respect to the Federal Government and the States and Territories, and to the Political Subdivisions thereof, and with respect to District of Columbia; and the **People, individually as Citizens**, shall have standing, to seek enforcement of this Amendment with respect to the Federal Government, the States and Territories and Political Subdivisions thereof, and to the District of Columbia. The Courts may consolidate claims brought pursuant to this Amendment as the administration of Justice so demands.

Section 13 of Amendment

Superiority: This Amendment shall supersede and prevail over conflicting language, if any, within This Constitution; except that the rights of the People shall not be infringed.

Amendments 29 and 30 follow...

The Public Employee Fairness Amendment

(Author's Note) WHY: *Because Public Employees, as defined in this Amendment, enjoy a superior bargaining position when negotiating employment and retirement benefits; because few other practices so strongly contribute to our nation's financial liabilities, particularly at the State, Territorial and Local level; and because all citizens are entitled to fairness in the awarding of employment benefits among Public Employees.*

As a further explanation, consider that while the rest of the population is focused on their own day-to-day activities, public employees – or any labor group involved in negotiations -- become intensely focused on their negotiations for better wages and benefits. When all competing interests are represented at a negotiating table, then a reasonably fair outcome is likely.

However, negotiations with government employees are typically conducted with, or must be approved by, elected officials. Those officials know that public employees are intensely focused on their approval, while the general public is not. They also know that those public employees are highly organized, and that they constitute a powerful voting and fundraising bloc. For these reasons, the general public – the people who pay those public employees -- are often either underrepresented or not represented at all.

This is why guardrails must be established to counter the disproportionate bargaining power public employees often enjoy when negotiating their wages and benefits.

Twenty-Ninth Amendment to the United States Constitution

Section 1 of Amendment

Retirement Age: Effective no later than **twenty years** from the date of adoption of this Amendment, and except as provided below, no Public Employee shall receive Federal, State or Political Subdivision Pension or Defined-Benefit-Plan retirement benefits until that Public Employee meets the age and other requirements applicable to the General Public for retirement benefits through Social Security or successor government programs. In the case of government Defined Contribution Plans, the Rules applicable to Individual Retirement Account (IRA) distributions, or to such programs applicable to the General Public as may, by law, succeed IRAs, shall also apply to Government Employees.

Clause 2, Section 1 of Amendment

Exceptions: Congress and the States, by a vote of two-thirds of the Members of both Houses of Congress, or by a vote of two-thirds of the Members of both Chambers of State Legislatures, if signed by the President or the Governor, as the case may be, may lower or raise the applicable retirement age for certain categories of Public Employees when fairness so demands; but shall not raise or

lower the applicable retirement age with respect to Members of Congress or of the Members of State or Territorial Legislatures, or of the Members of the Governing Bodies of the Political Subdivisions thereof.

Section 2 of Amendment

Conversion to Defined Contribution Plans: Within **twenty years** from the date of adoption of this Amendment all public-employee retirement benefit plans shall have been converted to Defined Contribution Plans or their equivalent as those terms are commonly understood on the effective date of this Amendment.

Clause 2, Section 2 of Amendment

Exemptions: Congress and the States, by appropriate legislation, may exempt from the preceding paragraph Public Employees who have, or will reach retirement age within twenty years from the date of adoption of this Amendment; or may modify its terms for such Public Employees; and may offer incentives to such Public Employees to convert from Pension or Defined Benefit Plans to Defined Contribution Plans, provided that the cost of incentives not exceed the cost of plans from which they convert.

Clause 3, Section 2 of Amendment

Matching Contributions: Employer matching contributions for a Public Employee's Defined Contribution Plan shall not exceed fifty percent of the first six-percent of salary contributed by the Public Employee, nor thirty-three percent of the next three percent of salary contributed by the Public Employee; except that any Public Employee who earns less than one hundred fifty percent of the Federal Minimum Wage may receive a Government-Employer matching contribution of up to five percent of their salary or hourly wage.

Clause 4, Section 2 of Amendment

Other Benefit Contributions: Within **five years** from the date of adoption of this Amendment, all Public Employees shall personally contribute the equivalent of the average of what U.S. Private Sector Employees personally contribute for health insurance, disability insurance, and for other non-retirement benefits, as independently determined, adjusted based on the coverage or benefits selected by the Public Employee.

Section 3 of Amendment

Applicability of the Terms "Public Employee" or "Public Employees": The terms "Public Employee" or "Public Employees" as used herein shall apply to all Federal, State, Territorial, and Political Subdivision Employees, and to Members of the Military; and shall apply to Members of Congress and to Members of State, Territorial, and Political Subdivision Legislatures or Governing Bodies, as the case may be, as the current terms of those in elective office upon adoption of this Amendment expire.

Section 4 of Amendment

Enforcement, Standing: Within the Courts of the United States, without a showing of harm, regardless where domiciled, and regardless of the amount in controversy, the following have standing to seek enforcement of this Amendment: the Governors or Legislatures of **States** and **Territories** shall have standing to seek enforcement with respect to their respective States and Political Subdivisions, and with respect to the Federal Government; **Congress or the President** shall have standing with respect to the Federal Government and the States and Territories, and to the Political Subdivisions thereof, and with respect to District of Columbia; and the **People, individually as Citizens**, shall have standing, to seek enforcement of this Amendment with respect to the Federal Government, the States and Territories and Political Subdivisions thereof, and to the District of Columbia. The Courts may consolidate claims brought pursuant to this Amendment as the administration of Justice so demands.

Section 5 of Amendment

Superiority: This Amendment shall supersede and prevail over conflicting language, if any, within This Constitution; except that the rights of the People shall not be infringed.

Amendment 30 begins on the next page.

The Regulatory Responsibility Amendment

(Author's Note) WHY: *Because no just Government may impose laws without the People having the Right of Representation with respect thereto; Because Article I, Section I of our Constitution vests all legislative authority with our elected Congress; Because Article I, Section VII of our Constitution prescribes the only means by which laws may take effect; Because all Federal Rules and Regulations have the effect of Law and supersede State and Local Laws and the Constitutions of the States; because agencies issue approximately 19 rules and regulations for every law passed by Congress; because many Rules and Regulations impose fines and even imprisonment upon the People; because the economic cost of Rules and Regulations may outweigh their benefits; because Congress has excessively delegated to the Executive Branch its Constitutional lawmaking duty, and has avoided political responsibility; and because over time the Executive Branch has in fact issued countless Rules and Regulations, each with the effect of Law, we therefore Amend Article I, Section VII, and Article II, Section II as follows:*

(Existing Constitutional text, below, is *italicized*. The sequence of text has been changed.)

Thirtieth Amendment to the United States Constitution

Section 1 of Amendment

Prospective Regulations: Commencing with the next term of Congress after ratification of this Amendment, or with the next term of the applicable Legislative Body, proposed Rules or Regulations affecting the Public, or Amendments or Revisions thereto, shall not take effect unless approved, in the case of the Federal Government, pursuant to Article I, Section VII of this Constitution; and in the case of the States, Territories, Political Subdivisions, and the District of Columbia, pursuant to the requirements for the enactment of laws by the appropriate Legislative Authority.

Section 2 of Amendment

Existing Regulations: All existing Federal, State, Territorial, and Political Subdivision Regulations, including those of the District of Columbia, shall remain in effect for a period of not more than twelve years from the date of adoption of this amendment. Regulations not approved pursuant to Paragraph One above shall expire not later than twelfth anniversary of the ratification of this Amendment; or immediately upon their failure to receive approval pursuant to Article I, Section VII of this Constitution when voted upon; or, in the case of the States, Territories, Political Subdivisions, or the District of Columbia, immediately upon their failure to receive approval of the appropriate Legislative Authority when voted upon.

Section 3 of Amendment

Executive Orders: Article II, Section II, shall be amended as follows:

The President shall from time to time give to the Congress Information of the State of the Union, and recommend to their Consideration such Measures as he shall

judge necessary and expedient; he may, on extraordinary Occasions, convene both Houses, or either of them, and in Case of Disagreement between them, with Respect to the Time of Adjournment, he may adjourn them to such Time as he shall think proper; he shall receive Ambassadors and other public Ministers; He shall take Care that the Laws be faithfully executed, he shall Commission all the Officers of the United States; and he shall not issue orders, or otherwise direct the Executive Departments to selectively enforce the Laws, except to protect the public for a period exceeding two years unless approved by Congress; nor shall he issue identical or substantially similar orders or directions thereafter during his term of office, without the approval of Congress.

Section 4 of Amendment

Internal Regulations Exempt: Nothing herein shall restrict the issuance and use by the various governments of the United States of Rules and Regulations, including, but not limited to, internal administrative Rules and Regulations, that do not affect the public.

Section 5 of Amendment

Enforcement, Standing: Within the Courts of the United States, without a showing of harm, regardless where domiciled, and regardless of the amount in controversy, the following have standing to seek enforcement of this Amendment: the Governors or Legislatures of **States** and **Territories** shall have standing to seek enforcement with respect to their respective States and Political Subdivisions, and with respect to the Federal Government; **Congress or the President** shall have standing with respect to the Federal Government and the States and Territories, and to the Political Subdivisions thereof, and with respect to District of Columbia; and the **People, individually as Citizens**, shall have standing, to seek enforcement of this Amendment with respect to the Federal Government, the States and Territories and Political Subdivisions thereof, and to the District of Columbia. The Courts may consolidate claims brought pursuant to this Amendment as the administration of Justice so demands.

Section 6 of Amendment

Superiority: This Amendment shall supersede and prevail over conflicting language, if any, within This Constitution; except that the rights of the People shall not be infringed.

Conclusion: Our Historic Mission Today, Together

I hope you agree that these Financial Responsibility Amendments represent a worthwhile attempt to give future American generations the financial freedom necessary to protect their liberty.

Again, I recognize that the Financial Responsibility Amendments are somewhat complex. But so too are our nation's finances. I continue to search for ways to reduce the word count while providing meaningful constraints on the government.

Toward that end I continue to welcome constructive ideas on wording from all responsible parties. Please share your thoughts or organize action at www.degreen.com.

I absolutely, positively refuse to believe it is impossible to ratify The Financial Responsibility Amendments as part of our Constitution. Our Founders must have been told a thousand times that their vision of a unified Representative Democracy could never be fulfilled on such a large scale. Yet they were relentless in their commitment to the establishment of our great nation. Our children and grandchildren, and all future American generations, deserve that *we must be no less dedicated*.

Made In America

We cannot look to the rest of the world for guidance. Nor could our Founders. We are mankind's greatest experiment in representative democracy. We set the standard for success or failure. The rest of the world looks to us.

I repeat: The Financial Responsibility Amendments are not partisan. For generations they will empower liberals and conservatives alike to focus on the meaningful, real, and invaluable debate over how to raise, allocate and manage our government's revenues, assets, and liabilities.

Next Steps – Your Role

But we cannot succeed without your help. Will you answer the challenge?

The Financial Responsibility Amendments must not just be explained, they must be *sold*. Many of us are great at selling ideas in which we believe. That's good because it will take *many* capable, dedicated people to achieve success.

That is why – even as we polish the Amendments – proponents must establish a practical political game plan to *sell* the Amendments. Ultimately we must combine, as our founders did, *serious, relentless practical politics with our uplifting philosophy of financial responsibility* – a philosophy dedicated to the survival and prosperity of this, the world's greatest representative democracy.

I mentioned earlier that I originally wrote the Financial Responsibility Amendments in 2015. I then got distracted by business and, frankly, I did not follow up as I should have. I am now 74 years old. That is why I challenge the next generation to pick up the mantle, to carry these concepts across the finish line – to ensure *your* financial future -- and that of your children, grandchildren, and great grandchildren.

As a practical matter, as of 2022, Republicans controlled the legislature and governorship of 23 states. Democrats controlled the legislature and governorship of 14 states. As of 2022 Republicans also have full control of the legislature in 30 states. Democrats have

full control of the legislature in just 17 states. The remaining three states have a divided legislature (Minnesota, Alaska, Virginia).

While I honestly believe that the Financial Responsibility Amendments are not partisan, I suspect that Republicans may be more inclined than Democrats to support them. However, *all* Americans know – or should know -- that we have serious financial problems nationwide, and that if we do not effectively and permanently impose guardrails for our nation's finances, then our government – and our society -- will eventually crumble like a house of cards.

Together we can, we will, we must, we *shall* succeed.

--Keith DeGreen