

FIRST REGULAR SESSION

# SENATE BILL NO. 433

98TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS DIXON AND DEMPSEY.

Read 1st time February 12, 2015, and ordered printed.

ADRIANE D. CROUSE, Secretary.

1771S.02I

## AN ACT

To amend chapter 1, RSMo, by adding thereto one new section relating to the compact for a balanced budget, with an emergency clause.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Chapter 1, RSMo, is amended by adding thereto one new section, to be known as section 1.600, to read as follows:

**1.600. The State of Missouri enacts, adopts and agrees to be bound by the following compact:**

### COMPACT FOR A BALANCED BUDGET

#### ARTICLE I

##### DECLARATION OF POLICY, PURPOSE AND INTENT

Whereas, every State enacting, adopting and agreeing to be bound by this Compact intends to ensure that their respective Legislature's use of the power to originate a Balanced Budget Amendment under Article V of the Constitution of the United States will be exercised conveniently and with reasonable certainty as to the consequences thereof.

Now, therefore, in consideration of their expressed mutual promises and obligations, be it enacted by every State enacting, adopting and agreeing to be bound by this Compact, and resolved by each of their respective Legislatures, as the case may be, to exercise herewith all of their respective powers as set forth herein notwithstanding any law to the contrary.

#### ARTICLE II

##### DEFINITIONS

Section 1. "Compact" means this "Compact for a Balanced Budget."



59 shall not exceed total receipts of the government of the United States  
60 at any point in time unless the excess of outlays over receipts is  
61 financed exclusively by debt issued in strict conformity with this  
62 article.

63 Section 2. Outstanding debt shall not exceed authorized debt,  
64 which initially shall be an amount equal to 105 percent of the  
65 outstanding debt on the effective date of this article. Authorized debt  
66 shall not be increased above its aforesaid initial amount unless such  
67 increase is first approved by the legislatures of the several states as  
68 provided in Section 3.

69 Section 3. From time to time, Congress may increase authorized  
70 debt to an amount in excess of its initial amount set by Section 2 only  
71 if it first publicly refers to the legislatures of the several states an  
72 unconditional, single subject measure proposing the amount of such  
73 increase, in such form as provided by law, and the measure is  
74 thereafter publicly and unconditionally approved by a simple majority  
75 of the legislatures of the several states, in such form as provided  
76 respectively by state law; provided that no inducement requiring an  
77 expenditure or tax levy shall be demanded, offered or accepted as a  
78 quid pro quo for such approval. If such approval is not obtained within  
79 sixty (60) calendar days after referral then the measure shall be  
80 deemed disapproved and the authorized debt shall thereby remain  
81 unchanged.

82 Section 4. Whenever the outstanding debt exceeds 98 percent of  
83 the debt limit set by Section 2, the President shall enforce said limit by  
84 publicly designating specific expenditures for impoundment in an  
85 amount sufficient to ensure outstanding debt shall not exceed the  
86 authorized debt. Said impoundment shall become effective thirty (30)  
87 days thereafter, unless Congress first designates an alternate  
88 impoundment of the same or greater amount by concurrent resolution,  
89 which shall become immediately effective. The failure of the President  
90 to designate or enforce the required impoundment is an impeachable  
91 misdemeanor. Any purported issuance or incurrence of any debt in  
92 excess of the debt limit set by Section 2 is void.

93 Section 5. No bill that provides for a new or increased general  
94 revenue tax shall become law unless approved by a two-thirds roll call  
95 vote of the whole number of each House of Congress. However, this

96 requirement shall not apply to any bill that provides for a new end user  
97 sales tax which would completely replace every existing income tax  
98 levied by the government of the United States; or for the reduction or  
99 elimination of an exemption, deduction, or credit allowed under an  
100 existing general revenue tax.

101 Section 6. For purposes of this article, "debt" means any  
102 obligation backed by the full faith and credit of the government of the  
103 United States; "outstanding debt" means all debt held in any account  
104 and by any entity at a given point in time; "authorized debt" means the  
105 maximum total amount of debt that may be lawfully issued and  
106 outstanding at any single point in time under this article; "total outlays  
107 of the government of the United States" means all expenditures of the  
108 government of the United States from any source; "total receipts of the  
109 government of the United States" means all tax receipts and other  
110 income of the government of the United States, excluding proceeds  
111 from its issuance or incurrence of debt or any type of liability;  
112 "impoundment" means a proposal not to spend all or part of a sum of  
113 money appropriated by Congress; and "general revenue tax" means any  
114 income tax, sales tax, or value-added tax levied by the government of  
115 the United States excluding imposts and duties.

116 Section 7. This article is immediately operative upon  
117 ratification, self-enforcing, and Congress may enact conforming  
118 legislation to facilitate enforcement."

### 119 ARTICLE III

#### 120 COMPACT MEMBERSHIP AND WITHDRAWAL

121 Section 1. This Compact governs each Member State to the  
122 fullest extent permitted by their respective constitutions, superseding  
123 and repealing any conflicting or contrary law.

124 Section 2. By becoming a Member State, each such State offers,  
125 promises and agrees to perform and comply strictly in accordance with  
126 the terms and conditions of this Compact, and has made such offer,  
127 promise and agreement in anticipation and consideration of, and in  
128 substantial reliance upon, such mutual and reciprocal performance and  
129 compliance by each other current and future Member State, if  
130 any. Accordingly, in addition to having the force of law in each  
131 Member State upon its respective effective date, this Compact and each  
132 of its Articles shall also be construed as contractually binding each

133 Member State when: (a) at least one other State has likewise become a  
134 Member State by enacting substantively identical legislation adopting  
135 and agreeing to be bound by this Compact; and (b) notice of such  
136 State's Member State status is or has been seasonably received by the  
137 Compact Administrator, if any, or otherwise by the chief executive  
138 officer of each other Member State.

139 Section 3. For purposes of determining Member State status  
140 under this Compact, as long as all other provisions of the Compact  
141 remain identical and operative on the same terms, legislation enacting,  
142 adopting and agreeing to be bound by this Compact shall be deemed  
143 and regarded as "substantively identical" with respect to such other  
144 legislation enacted by another State notwithstanding: (a) any difference  
145 in section 2 of Article IV with specific regard to the respectively  
146 enacting State's own method of appointing its member to the  
147 Commission; (b) any difference in section 5 of Article IV with specific  
148 regard to the respectively enacting State's own obligation to fund the  
149 Commission; (c) any difference in sections 1 and 2 of Article VI with  
150 specific regard to the number and identity of each delegate respectively  
151 appointed on behalf of the enacting State, provided that no more than  
152 three delegates may attend and participate in the Convention on behalf  
153 of any State; or (d) any difference in section 7 of Article X with specific  
154 regard to the respectively enacting State as to whether section 1 of  
155 Article V of this Compact shall survive termination of the Compact, and  
156 thereafter become a continuing resolution of the Legislature of such  
157 State applying to Congress for the calling of a convention of the states  
158 under Article V of the Constitution of the United States, under such  
159 terms and limitations as may be specified by such State.

160 Section 4. When fewer than three-fourths of the States are  
161 Member States, any Member State may withdraw from this Compact by  
162 enacting appropriate legislation, as determined by state law, and giving  
163 notice of such withdrawal to the Compact Administrator, if any, or  
164 otherwise to the chief executive officer of each other Member State. A  
165 withdrawal shall not affect the validity or applicability of the compact  
166 with respect to remaining Member States, provided that there remain  
167 at least two such States. However, once at least three-fourths of the  
168 States are Member States, then no Member State may withdraw from  
169 the Compact prior to its termination absent unanimous consent of all

170 Member States.

171

#### ARTICLE IV

#### 172 COMPACT COMMISSION AND COMPACT ADMINISTRATOR

173 Section 1. Nature of the Compact Commission. The Compact  
174 Commission ("Commission") is hereby established. It has the power and  
175 duty: (a) to appoint and oversee a Compact Administrator; (b) to  
176 encourage States to join the Compact and Congress to call the  
177 Convention in accordance with this Compact; (c) to coordinate the  
178 performance of obligations under the Compact; (d) to oversee the  
179 Convention's logistical operations as appropriate to ensure this  
180 Compact governs its proceedings; (e) to oversee the defense and  
181 enforcement of the Compact in appropriate legal venues; (f) to request  
182 funds and to disburse those funds to support the operations of the  
183 Commission, Compact Administrator, and Convention; and (g) to  
184 cooperate with any entity that shares a common interest with the  
185 Commission and engages in policy research, public interest litigation  
186 or lobbying in support of the purposes of the Compact. The  
187 Commission shall only have such implied powers as are essential to  
188 carrying out these express powers and duties. It shall take no action  
189 that contravenes or is inconsistent with this Compact or any law of any  
190 State that is not superseded by this Compact. It may adopt and publish  
191 corresponding bylaws and policies.

192 Section 2. Commission Membership. The Commission initially  
193 consists of three unpaid members. Each Member State may appoint one  
194 member to the Commission until all positions on the Commission are  
195 filled. Positions shall be assigned to appointees in the order in which  
196 their respective appointing States became Member States. The bylaws  
197 of the Commission may expand its membership to include  
198 representatives of additional Member States and to allow for modest  
199 salaries and reimbursement of expenses if adequate funding  
200 exists. Any member to the Commission appointed by this Member State  
201 shall be appointed by the Governor with the advice and consent of the  
202 Senate.

203 Section 3. Commission Action. Each Commission member is  
204 entitled to one vote. The Commission shall not act unless a majority of  
205 its appointed membership is present, and no action shall be binding  
206 unless approved by a majority of the Commission's appointed

207 membership. The Commission shall meet at least once a year, and may  
208 meet more frequently.

209       **Section 4. First Order of Business.** The Commission shall at the  
210 earliest possible time elect from among its membership a Chairperson,  
211 determine a primary place of doing business, and appoint a Compact  
212 Administrator.

213       **Section 5. Funding.** The Commission and the Compact  
214 Administrator's activities shall be funded exclusively by each Member  
215 State, as determined by their respective state law, or by voluntary  
216 donations.

217       **Section 6. Compact Administrator.** The Compact Administrator  
218 has the power and duty: (a) to timely notify the States of the date, time  
219 and location of the Convention; (b) to organize and direct the logistical  
220 operations of the Convention; (c) to maintain an accurate list of all  
221 Member States, their appointed delegates, including contact  
222 information; and (d) to formulate, transmit, and maintain all official  
223 notices, records, and communications relating to this Compact. The  
224 Compact Administrator shall only have such implied powers as are  
225 essential to carrying out these express powers and duties; and shall  
226 take no action that contravenes or is inconsistent with this Compact or  
227 any law of any State that is not superseded by this Compact. The  
228 Compact Administrator serves at the pleasure of the Commission and  
229 must keep the Commission seasonably apprised of the performance or  
230 nonperformance of the terms and conditions of this Compact. Any  
231 notice sent by a Member State to the Compact Administrator  
232 concerning this Compact shall be adequate notice to each other  
233 Member State provided that a copy of said notice is seasonably  
234 delivered by the Compact Administrator to each other Member State's  
235 respective chief executive officer.

236       **Section 7. Notice of Key Events.** Upon the occurrence of each of  
237 the following described events, or otherwise as soon as possible, the  
238 Compact Administrator shall immediately send the following notices to  
239 all Compact Notice Recipients, together with certified conforming  
240 copies of the chaptered version of this Compact as maintained in the  
241 statutes of each Member State: (a) whenever any State becomes a  
242 Member State, notice of that fact shall be given; (b) once at least three-  
243 fourths of the States are Member States, notice of that fact shall be

244 given together with a statement declaring that the Legislatures of at  
245 least two-thirds of the several States have applied for a convention for  
246 proposing amendments under Article V of the Constitution of the  
247 United States, petitioning Congress to call the Convention  
248 contemplated by this Compact, and further requesting cooperation in  
249 organizing the same in accordance with this Compact; (c) once  
250 Congress has called the Convention contemplated by this Compact, and  
251 whenever the date, time and location of the Convention has been  
252 determined, notice of that fact shall be given together with the date,  
253 time and location of the Convention and other essential logistical  
254 matters; (d) upon approval of the Balanced Budget Amendment by the  
255 Convention, notice of that fact shall be given together with the  
256 transmission of certified copies of such approved proposed amendment  
257 and a statement requesting Congress to refer the same for ratification  
258 by three-fourths of the Legislatures of the several States under Article  
259 V of the Constitution of the United States (however, in no event shall  
260 any proposed amendment other than the Balanced Budget Amendment  
261 be transmitted); and (e) when any Article of this Compact prospectively  
262 ratifying the Balanced Budget Amendment is effective in any Member  
263 State, notice of the same shall be given together with a statement  
264 declaring such ratification and further requesting cooperation in  
265 ensuring that the official record confirms and reflects the effective  
266 corresponding amendment to the Constitution of the United  
267 States. However, whenever any Member State enacts appropriate  
268 legislation, as determined by the laws of the respective state,  
269 withdrawing from this Compact, the Compact Administrator shall  
270 immediately send certified conforming copies of the chaptered version  
271 of such withdrawal legislation as maintained in the statutes of each  
272 such withdrawing Member State, solely to each chief executive officer  
273 of each remaining Member State, giving notice of such withdrawal.

274       Section 8. Cooperation. The Commission, Member States and  
275 Compact Administrator shall cooperate with each other and give each  
276 other mutual assistance in enforcing this Compact and shall give the  
277 chief law enforcement officer of each other Member State any  
278 information or documents that are reasonably necessary to facilitate  
279 the enforcement of this Compact.

280       Section 9. This Article does not take effect until there are at

281 least two Member States.

282

## ARTICLE V

283

### RESOLUTION APPLYING FOR CONVENTION

284 Section 1. Be it resolved, as provided for in Article V of the  
285 Constitution of the United States, the Legislature of each Member State  
286 herewith applies to Congress for the calling of a convention for  
287 proposing amendments limited to the subject matter of proposing for  
288 ratification the Balanced Budget Amendment.

289 Section 2. Congress is further petitioned to refer the Balanced  
290 Budget Amendment to the States for ratification by three-fourths of  
291 their respective Legislatures.

292 Section 3. This Article does not take effect until at least three-  
293 fourths of the several States are Member States.

294

## ARTICLE VI

295 DELEGATE APPOINTMENT, LIMITATIONS AND INSTRUCTIONS

296 Section 1. Number of Delegates. This Member State shall be  
297 entitled to three delegates as its sole and exclusive representatives at  
298 the Convention as set forth in this Article.

299 Section 2. Identity of Delegates. The Speaker of the House of  
300 Representatives, the President Pro Tempore of the Senate, and the  
301 Governor, who are serving in this Member State on the enactment date  
302 of the legislation by which this Member State joins this Compact, or,  
303 alternatively, their respective designee, are each hereby appointed to  
304 serve respectively as a delegate in an individual capacity among the  
305 three delegates who shall represent this Member State at the  
306 Convention. Said alternate delegate designation, if any, shall be made  
307 by way of public written declaration and no later than the conclusion  
308 of the respective officer's term in office. Said three delegates shall  
309 represent this Member State at the Convention as its sole and exclusive  
310 delegates. A majority vote of this delegation shall serve to decide any  
311 issue at the Convention on behalf of this Member State.

312 Section 3. Replacement or Recall of Delegates. A delegate  
313 appointed hereunder may be replaced or recalled by the Legislature of  
314 his or her respective State at any time for good cause, such as criminal  
315 misconduct or the violation of this Compact. If replaced or recalled,  
316 any delegate previously appointed hereunder must immediately vacate  
317 the Convention and return to their respective State's capitol.

318           **Section 4. Oath.** The power and authority of a delegate under  
319 this Article may only be exercised after the Convention is first called  
320 by Congress in accordance with this Compact and such appointment is  
321 duly accepted by such appointee publicly taking the following oath or  
322 affirmation: "I do solemnly swear (or affirm) that I accept this  
323 appointment and will act strictly in accordance with the terms and  
324 conditions of the Compact for a Balanced Budget, the Constitution of  
325 the State I represent, and the Constitution of the United States. I  
326 understand that violating this oath (or affirmation) forfeits my  
327 appointment and may subject me to other penalties as provided by law."

328           **Section 5. Term.** The term of a delegate hereunder commences  
329 upon acceptance of appointment and terminates upon the permanent  
330 adjournment of the Convention, unless shortened by recall, replacement  
331 or forfeiture under this Article. Upon expiration of such term, any  
332 person formerly serving as a delegate must immediately withdraw from  
333 and cease participation at the Convention, if any is proceeding.

334           **Section 6. Delegate Authority.** The power and authority of any  
335 delegate appointed hereunder is strictly limited: (a) to introducing,  
336 debating, voting upon, proposing and enforcing the Convention Rules  
337 specified in this Compact, as needed to ensure those rules govern the  
338 Convention; and (b) to introducing, debating, voting upon, and rejecting  
339 or proposing for ratification the Balanced Budget Amendment. All  
340 actions taken by any delegate in violation of this section are void ab  
341 initio.

342           **Section 7. Delegate Authority.** No delegate of any Member State  
343 may introduce, debate, vote upon, reject or propose for ratification any  
344 constitutional amendment at the Convention unless: (a) the Convention  
345 Rules specified in this Compact govern the Convention and their  
346 actions; and (b) the constitutional amendment is the Balanced Budget  
347 Amendment.

348           **Section 8. Delegate Authority.** The power and authority of any  
349 delegate at the Convention does not include any power or authority  
350 associated with any other public office held by the delegate. Any  
351 person appointed to serve as a delegate shall take a temporary leave of  
352 absence, or otherwise shall be deemed temporarily disabled, from any  
353 other public office held by the delegate while attending the Convention,  
354 and may not exercise any power or authority associated with any other

355 public office held by the delegate, while attending the Convention. All  
356 actions taken by any delegate in violation of this section are void ab  
357 initio.

358 Section 9. Order of Business. Before introducing, debating,  
359 voting upon, rejecting or proposing for ratification any constitutional  
360 amendment at the Convention, each delegate of every Member State  
361 must first ensure the Convention Rules in this Compact govern the  
362 Convention and their actions. Every delegate and each Member State  
363 must immediately vacate the Convention and notify the Compact  
364 Administrator by the most effective and expeditious means if the  
365 Convention Rules in this Compact are not adopted to govern the  
366 Convention and their actions.

367 Section 10. Forfeiture of Appointment. If any Member State or  
368 delegate violates any provision of this Compact, then every delegate of  
369 that Member State immediately forfeits his or her appointment, and  
370 shall immediately cease participation at the Convention, vacate the  
371 Convention, and return to his or her respective State's capitol.

372 Section 11. Expenses. A delegate appointed hereunder is  
373 entitled to reimbursement of reasonable expenses for attending the  
374 Convention from his or her respective Member State. No delegate may  
375 accept any other form of remuneration or compensation for service  
376 under this Compact.

## 377 ARTICLE VII

### 378 CONVENTION RULES

379 Section 1. Nature of the Convention. The Convention shall be  
380 organized, construed and conducted as a body exclusively representing  
381 and constituted by the several States.

382 Section 2. Agenda of the Convention. The agenda of the  
383 Convention shall be entirely focused upon and exclusively limited to  
384 introducing, debating, voting upon, and rejecting or proposing for  
385 ratification the Balanced Budget Amendment under the Convention  
386 Rules specified in this Article and in accordance with the Compact. It  
387 shall not be in order for the Convention to consider any matter that is  
388 outside the scope of this agenda.

389 Section 3. Delegate Identity and Procedure. States shall be  
390 represented at the Convention through duly appointed delegates. The  
391 number, identity and authority of delegates assigned to each State shall

392 be determined by this Compact in the case of Member States or, in the  
393 case of States that are not Member States, by their respective state  
394 laws. However, to prevent disruption of proceedings, no more than  
395 three delegates may attend and participate in the Convention on behalf  
396 of any State. A certified chaptered conforming copy of this Compact,  
397 together with government-issued photographic proof of identification,  
398 shall suffice as credentials for delegates of Member States. Any  
399 commission for delegates of States that are not Member States shall be  
400 based on their respective state laws, but it shall furnish credentials  
401 that are at least as reliable as those required of Member States.

402 Section 4. Voting. Each State represented at the Convention  
403 shall have one vote, exercised by the vote of that State's delegate in the  
404 case of States represented by one delegate, or, in the case of any State  
405 that is represented by more than one delegate, by the majority vote of  
406 that State's respective delegates.

407 Section 5. Quorum. A majority of the several States of the  
408 United States, each present through its respective delegate in the case  
409 of any State that is represented by one delegate, or through a majority  
410 of its respective delegates, in the case of any State that is represented  
411 by more than one delegate, shall constitute a quorum for the  
412 transaction of any business on behalf of the Convention.

413 Section 6. Action by the Convention. The Convention shall only  
414 act as a committee of the whole, chaired by the delegate representing  
415 the first State to have become a Member State, if that State is  
416 represented by one delegate, or otherwise by the delegate chosen by the  
417 majority vote of that State's respective delegates. The transaction of  
418 any business on behalf of the Convention, including the designation of  
419 a Secretary, the adoption of parliamentary procedures and the  
420 rejection or proposal of any constitutional amendment, requires a  
421 quorum to be present and a majority affirmative vote of those States  
422 constituting the quorum.

423 Section 7. Emergency Suspension and Relocation of the  
424 Convention. In the event that the Chair of the Convention declares an  
425 emergency due to disorder or an imminent threat to public health and  
426 safety prior to the completion of the business on the Agenda, and a  
427 majority of the States present at the Convention do not object to such  
428 declaration, further Convention proceedings shall be temporarily

429 suspended, and the Commission shall subsequently relocate or  
430 reschedule the Convention to resume proceedings in an orderly fashion  
431 in accordance with the terms and conditions of this Compact with prior  
432 notice given to the Compact Notice Recipients.

433       **Section 8. Parliamentary Procedure.** In adopting, applying and  
434 formulating parliamentary procedure, the Convention shall exclusively  
435 adopt, apply or appropriately adapt provisions of the most recent  
436 editions of Robert's Rules of Order and the American Institute of  
437 Parliamentarians Standard Code of Parliamentary Procedure. In  
438 adopting, applying or adapting parliamentary procedure, the  
439 Convention shall exclusively consider analogous precedent arising  
440 within the jurisdiction of the United States. Parliamentary procedures  
441 adopted, applied or adapted pursuant to this section shall not obstruct,  
442 override or otherwise conflict with this Compact.

443       **Section 9. Transmittal.** Upon approval of the Balanced Budget  
444 Amendment by the Convention to propose for ratification, the Chair of  
445 the Convention shall immediately transmit certified copies of such  
446 approved proposed amendment to the Compact Administrator and all  
447 Compact Notice Recipients, notifying them respectively of such  
448 approval and requesting Congress to refer the same for ratification by  
449 the States under Article IV of the Constitution of the United  
450 States. However, in no event shall any proposed amendment other than  
451 the Balanced Budget Amendment be transmitted as aforesaid.

452       **Section 10. Transparency.** Records of the Convention, including  
453 the identities of all attendees and detailed minutes of all proceedings,  
454 shall be kept by the Chair of the Convention or Secretary designated  
455 by the Convention. All proceedings and records of the Convention shall  
456 be open to the public upon request subject to reasonable regulations  
457 adopted by the Convention that are closely tailored to preventing  
458 disruption of proceedings under this Article.

459       **Section 11. Adjournment of the Convention.** The Convention  
460 shall permanently adjourn upon the earlier of twenty-four (24) hours  
461 after commencing proceedings under this Article or the completion of  
462 the business on its Agenda.

463

## ARTICLE VIII

464

### PROHIBITION ON ULTRA VIRES CONVENTION

465

**Section 1. Member States shall not participate in the Convention**

466 unless: (a) Congress first calls the Convention in accordance with this  
467 Compact; and (b) the Convention Rules of this Compact are adopted by  
468 the Convention as its first order of business.

469 Section 2. Any proposal or action of the Convention is void ab  
470 initio and issued by a body that is conducting itself in an unlawful and  
471 ultra vires fashion if that proposal or action: (a) violates or was  
472 approved in violation of the Convention Rules or the delegate  
473 instructions and limitations on delegate authority specified in this  
474 Compact; (b) purports to propose or effectuate a mode of ratification  
475 that is not specified in Article V of the Constitution of the United  
476 States; or (c) purports to propose or effectuate the formation of a new  
477 government. All Member States are prohibited from advancing or  
478 assisting in the advancement of any such proposal or action.

479 Section 3. Member States shall not ratify or otherwise approve  
480 any proposed amendment, alteration or revision to the Constitution of  
481 the United States, which originates from the Convention, other than the  
482 Balanced Budget Amendment.

#### 483 ARTICLE IX

#### 484 RESOLUTION PROSPECTIVELY RATIFYING THE 485 BALANCED BUDGET AMENDMENT

486 Section 1. Each Member State, by and through its respective  
487 Legislature, hereby adopts and ratifies the Balanced Budget  
488 Amendment.

489 Section 2. This Article does not take effect until Congress  
490 effectively refers the Balanced Budget Amendment to the States for  
491 ratification by three-fourths of the Legislatures of the several States  
492 under Article V of the Constitution of the United States.

#### 493 ARTICLE X

#### 494 CONSTRUCTION, ENFORCEMENT, VENUE, AND SEVERABILITY

495 Section 1. To the extent that the effectiveness of this Compact  
496 or any of its Articles or provisions requires the alteration of local  
497 legislative rules, drafting policies, or procedure to be effective, the  
498 enactment of legislation enacting, adopting and agreeing to be bound  
499 by this Compact shall be deemed to waive, repeal, supersede, or  
500 otherwise amend and conform all such rules, policies or procedures to  
501 allow for the effectiveness of this Compact to the fullest extent  
502 permitted by the constitution of any affected Member State.

503           **Section 2. Date and Location of the Convention.** Unless  
504 otherwise specified by Congress in its call, the Convention shall be held  
505 in Dallas, Texas and commence proceedings at 9:00 a.m. Central  
506 Standard Time on the sixth Wednesday after the latter of the effective  
507 date of Article V of this Compact or the enactment date of the  
508 Congressional resolution calling the Convention.

509           **Section 3.** In addition to all other powers and duties conferred  
510 by state law which are consistent with the terms and conditions of this  
511 Compact, the chief law enforcement officer of each Member State is  
512 empowered to defend the Compact from any legal challenge, as well as  
513 to seek civil mandatory and prohibitory injunctive relief to enforce this  
514 Compact; and shall take such action whenever the Compact is  
515 challenged or violated.

516           **Section 4.** The exclusive venue for all actions in any way arising  
517 under this Compact shall be in the United States District Court for the  
518 Northern District of Texas or the courts of the State of Texas within the  
519 jurisdictional boundaries of the foregoing district court. Each Member  
520 State shall submit to the jurisdiction of said courts with respect to such  
521 actions. However, upon written request by the chief law enforcement  
522 officer of any Member State, the Commission may elect to waive this  
523 provision for the purpose of ensuring an action proceeds in the venue  
524 that allows for the most convenient and effective enforcement or  
525 defense of this Compact. Any such waiver shall be limited to the  
526 particular action to which it is applied and not construed or relied  
527 upon as a general waiver of this provision. The waiver decisions of the  
528 Commission under this provision shall be final and binding on each  
529 Member State.

530           **Section 5.** The effective date of this Compact and any of its  
531 Articles is the latter of: (a) the date of any event rendering the same  
532 effective according to its respective terms and conditions; or (b) the  
533 earliest date otherwise permitted by law.

534           **Section 6.** Article VIII of this Compact is hereby deemed non-  
535 severable prior to termination of the Compact. However, if any other  
536 phrase, clause, sentence or provision of this Compact, or the  
537 applicability of any other phrase, clause, sentence or provision of this  
538 Compact to any government, agency, person or circumstance, is  
539 declared in a final judgment to be contrary to the Constitution of the

540 United States, contrary to the state constitution of any Member State,  
541 or is otherwise held invalid by a court of competent jurisdiction, such  
542 phrase, clause, sentence or provision shall be severed and held for  
543 naught, and the validity of the remainder of this Compact and the  
544 applicability of the remainder of this Compact to any government,  
545 agency, person or circumstance shall not be affected. Furthermore, if  
546 this Compact is declared in a final judgment by a court of competent  
547 jurisdiction to be entirely contrary to the state constitution of any  
548 Member State or otherwise entirely invalid as to any Member State,  
549 such Member State shall be deemed to have withdrawn from the  
550 Compact, and the Compact shall remain in full force and effect as to  
551 any remaining Member State. Finally, if this Compact is declared in a  
552 final judgment by a court of competent jurisdiction to be wholly or  
553 substantially in violation of Article I, Section 10, of the Constitution of  
554 the United States, then it shall be construed and enforced solely as  
555 reciprocal legislation enacted by the affected Member State(s).

556 Section 7. Termination. This Compact shall terminate and be  
557 held for naught when the Compact is fully performed and the  
558 Constitution of the United States is amended by the Balanced Budget  
559 Amendment. However, notwithstanding anything to the contrary set  
560 forth in this Compact, in the event such amendment does not occur  
561 within seven (7) years after the first State passes legislation enacting,  
562 adopting and agreeing to be bound to this Compact, the Compact shall  
563 terminate as follows: (a) the Commission shall dissolve and wind up its  
564 operations within ninety (90) days thereafter, with the Compact  
565 Administrator giving notice of such dissolution and the operative effect  
566 of this section to the Compact Notice Recipients; and (b) upon the  
567 completed dissolution of the Commission, this Compact shall be deemed  
568 terminated, repealed, void ab initio, and held for naught.

Section B. Because only the first three member states to the compact may  
2 appoint a member of the compact commission, section A of this act is deemed  
3 necessary for the immediate preservation of the public health, welfare, peace and  
4 safety, and is hereby declared to be an emergency act within the meaning of the  
5 constitution, and section A of this act shall be in full force and effect upon its  
6 passage and approval.

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