

HOUSE JOINT RESOLUTION NO. 826

By Representative Mike Turner

and

Senators Beavers, Berke, Black, Burchett, Burks, Crowe, Lowe Finney, Raymond Finney, Ford, Harper, Haynes, Henry, Herron, Jackson, Johnson, Ketron, Kurita, Kyle, Marrero, McNally, Roller, Southerland, Stanley, Tate, Tracy, Watson, Wilder, Williams, Woodson and Mr. Speaker Ramsey

A RESOLUTION urging the President and the United States Congress to refrain from borrowing money from foreign entities and to reduce the national debt.

WHEREAS, at the end of this past century, the United States of America was enjoying record budget surpluses and, in 1999, for the first time in over twenty-five years, bought back U.S. Treasury bills, notes, and bonds to reduce our national debt; and

WHEREAS, since 2001, the United States Congress, at the request of the Bush Administration, has raised the debt ceiling limit annually to prevent financial default to the now unprecedented level of \$9,815,000,000,000, which is approximately seventy percent (70%) of the entire U.S. economy; and

WHEREAS, today the United States is the largest debtor nation in the world, and foreign countries are purchasing our debt in record amounts. According to the U.S. Treasury Department, major foreign holdings of U.S. debt total over \$2.34 trillion, or forty-six percent (46%) of the total debt held by the public; and

WHEREAS, as of November 2007, U.S. Treasury securities held by foreign countries include Japan with \$580.9 billion, China with \$386.8 billion, the United Kingdom with \$315.6 billion, OPEC nations with \$127.6 billion, and Brazil with \$120.6 billion; and

WHEREAS, since 2004, China alone has added almost \$200 billion to its U.S. Treasury securities holdings, a fact that is indicative of the recent trend of increasing our fiscal dependency on foreign nations in order to fund our federal budget deficits; and

WHEREAS, extensive foreign holdings of U.S. debt could potentially have a debilitating impact on our economy; a country threatening to sell large volumes of U.S. Treasury securities would result in pressure on the Federal Reserve to raise interest rates and thus fuel rapid inflation, putting our economy at risk for a large-scale recession or possibly exacerbating the recession that already seems eminent during 2008; and

WHEREAS, equally threatening to the American economy are the massive annual interest payments on the U.S. debt, which are estimated to total over \$1.09 trillion between 2004 and 2008; and

WHEREAS, the foreign policy of our great Nation should not be put in a position to be held hostage because our government's finances are dependent on funds from foreign countries that might oppose our policies; and

WHEREAS, to enjoy the freedoms that their forefathers fought and died for, our children and grandchildren should not inherit an America that has been mortgaged away. The President and the U.S. Congress must make a commitment to bring the federal budget back into balance and, even more importantly, service the national debt; now, therefore,

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDRED FIFTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE SENATE CONCURRING, that we hereby urge the President of the United States and the United States Congress to refrain from borrowing money from or selling our debt to foreign countries or institutions and to make every effort to reduce our national debt.

BE IT FURTHER RESOLVED, that enrolled copies of this resolution be prepared and sent to each member of the U.S. Congressional Delegation from Tennessee and to President George W. Bush.

ADOPTED: May 15, 2008



JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES



RON RAMSEY
SPEAKER OF THE SENATE

APPROVED: May 28, 2008



PHIL BREDESEN, GOVERNOR