QUICK SHEET · CONSTITUTION OF THE FEDERATED REPUBLIC

Fiscal Architecture

Where the money comes from, who may spend it, and what happens when the budget fails. The Assembly originates; the executives propose their own domains; an independent authority guards the currency; and if the budget stalls, the legislators' own pay stops with everyone else's.

Article XII · §12.1–§12.3, §12.5, §12.8

HOW THE BUDGET IS BUILT — §12.2

ORIGIN
Assembly Originates
The annual budget begins in the Assembly — not with either executive. Origination and passage sit with the chamber closest to the people.

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INPUT
Two Domain Proposals
Each Consul submits a proposal for their own domain (civic / defense), published to the NRS. The Assembly gives **due consideration** — not bound. A Consul's silence can't stall the process.

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DISCIPLINE
Balance or Justify
Pass a balanced budget or publish a structural-deficit justification, reviewed by the MA for accuracy. Deficits above the MA threshold need a published plan back to balance.

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CHECK
Executive Review
The enacted budget is legislation — the CC's fiscal notice applies; the suspensive veto does not (as with all required legislation). The MA certifies the arithmetic.

WHERE MONEY LIVES — §12.1.A, §12.3

The Monetary Authority

An **independent agency** (§3.9) with sole power to issue currency — no State or other body may create legal tender. It runs monetary policy and certifies fiscal integrity. The Legislature **cannot weaken its independence** in a way that compromises its certifications; the EM audits it annually to the NRS.

National Revenue Fund

Only the Legislature may tax — **no other body may levy anything**. Every public dollar received flows into the Fund, and nothing leaves it **except by appropriation**. No tax may discriminate on §1.6 grounds. The EM audits receipts and disbursements annually.

WHEN THE BUDGET FAILS, AND THE BACKSTOP — §12.2, §12.5, §12.8

Budget-Failure Failsafe §12.2

Interim appropriation · Prior-year level · Legislators' pay withheld

No budget by deadline? An interim appropriation kicks in automatically — courts, civil-service pay, and debt service continue at the prior year's inflation-adjusted level. **No new programs** may start under it. And if discretionary spending is suspended, **every legislator's pay is withheld** from the same day government workers' pay is — released only when a budget passes. No shutdown brinkmanship without personal cost.

The Social-State Backstop §12.5 · §12.8

The **National Endowment** is a reserve the MA preserves and grows, activated only on MA certification of **Severe Revenue Contraction** to protect the §12.1 social state. The Legislature must fund it in surplus years — failing to is a compliance breach. Separately, **Fiscal Equalization** (§12.8) guarantees every State and Territory enough capacity to meet Article I and social-state duties; the EM certifies it works, and on failure the Legislature must respond within 90 days. The MA's own response duty for a relevant Monitor Fail runs through §12.1.b — a report within 30 days to the Assembly and both Consuls, no mandated remedy beyond that.

NUMBERS WORTH REMEMBERING

120 days before the fiscal year — default deadline for Consul domain proposals (§12.2).

3 mandatory social-state systems: **healthcare, social assistance, free education** (§12.1).

1 currency issuer — the MA alone. **No State-issued legal tender** anywhere in the Republic.

90 days for the Legislature to respond after an EM finding that equalization has failed (§12.8).

A theoretical constitutional design project — not the law of any existing nation.