

## United States Senate

January 26, 2023

Dear Colleagues:

It has been two years to the day since I wrote to you expressing my grave concern over our nation's massive and unsustainable debt. Now, Congress is once again considering the question of raising the debt limit and whether to do so with or without significant and structural reforms in how Washington spends taxpayer dollars. I write to again stress the enormity of this issue and the direct impact of continued inaction on American families and businesses.

Since my last letter two years ago, the debt has grown from \$27 trillion to more than \$31 trillion – that's more than \$239,000 for every American household, up from \$227,000 in January 2021. I find it hard to believe that any member of this body is satisfied with the growth in our debt, or the hundreds of billions we are paying in interest to maintain it each year. Now, it's time to do something about it.

For too long, Congress has spent with reckless disregard for the consequences of a growing national debt on the ability of the federal government to serve the American people and its effect on inflation. When I first wrote to you on this issue two years ago, inflation was projected to rise from its 2020 low of 1.4 percent to 2.3 percent or more. We now know that projection was far too optimistic and not in the same universe of the horrific price increases American families have been subjected to. Since President Biden took office, CPI inflation has increased 13.7%.

I noted in a follow up to my prior letter that Treasury Secretary Janet Yellen had said that rising inflation due to increased debt from President Biden's massive and untargeted COVID-19 spending bill was just, "a risk we have to consider." Let me repeat what I wrote then, which has now become a harsh reality: For families looking to make ends meet each month, rising prices of essential goods and services is not merely a statistical "risk" – it's an existential threat.

Every member of this body knows that there is a direct link between the federal government's unsustainable spending and the rising cost of goods and services. This is disastrous for American families – especially hourly workers and low income households.

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I grew up in public housing and watched my parents struggle to make ends meet. They needed every dollar to go as far as possible just to put food on the table. These are the families that inflation hits the hardest and these are the families we must protect. When the dollar loses buying power, families like mine growing up suffer the most.

Now we've seen two years of suffering as Washington – under total Democrat control – has neglected its duty to be good stewards of taxpayer dollars and grown the debt by more than \$4 trillion since President Biden took office.

As we again face the debt ceiling debate, Congress cannot stand by and allow American families to be forced to keep doing more with less. To do so would be a profound betrayal of the promises we made in swearing to represent their interests.

So the question becomes, "How do we solve this issue?" Sadly, many Democrats have answered this question by suggesting nothing more than the status quo. In doing so, they have accepted a continuation of our current crisis: record high inflation, growing federal debt, higher interest rates and a rapid decay of opportunity for families across our nation to rise up and live their American dream.

Worse, many Democrats are alleging that anyone who dares to push for change that will bring America's fiscal house back in order is an anarchist, pushing our country toward default. It's a lie but one that the media has unquestionably carried and spread.

If we change nothing, nothing will change. Inflation will continue, interest rates will stay high and opportunity for the hardworking families in each of our states will fade. Republicans are demanding changes now because America cannot afford to kick this can down the road a moment longer. There is a day of reckoning for the insane spending and massive debt that Washington has become so accustomed to and it will destroy our country if we let it.

We must get something done that puts America on a fiscally sustainable path toward less debt, lower costs and more opportunity. Anyone who says otherwise is lying to the American people and neglecting the seriousness of the issues before us.

No one wants to default. I believe that President Biden and Secretary Yellen already possess the full authority to prioritize debt payments and ensure that the full faith and credit of the United States is never in question. If there is disagreement on that, we can make it crystal clear by passing the *Full Faith and Credit Act* which protects entitlement programs, ensures our military members are taken care of and takes a default threat off the table by mandating interest payments on our debt. It's a

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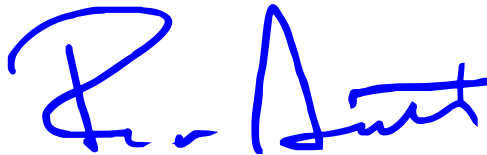
commonsense solution that should be embraced by every member of Congress and I encourage each of you to take a look at it.

While my *Full Faith and Credit Act* is a great bill, it doesn't solve all of our problems. We still must confront how Congress is spending, more often wasting, tax dollars. We have to make tough choices. We must refocus the efforts of government on the critical needs of the American people. We must scrutinize every tax dollar spent and make certain that waste, fraud and abuse is eliminated to every extent possible.

We must choose to be innovative and stop passing the failures of past politicians along to the American people through tax increases or cuts in critical services. We can and must simultaneously protect Social Security and Medicare benefits while also making thoughtful choices that reduce unnecessary spending which provides inadequate returns to American taxpayers. Instead, we must increase revenues through job creation and the rebuilding of American manufacturing.

Solving America's debt crisis and mitigating the devastating impacts of inflation require us to reimagine how the federal government operates. Rising to accept this challenge may be the most important work any of us do in our service to the American people.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rick Scott". The signature is stylized with a large initial "R" and a prominent "S".

Rick Scott  
United States Senator