



Thomas A. Schatz  
*President*

April 27, 2011

U.S. House of Representatives  
Washington, D.C. 20515

Dear Representative,

Rep. Tom McClintock (R-Calif.) is sponsoring H.R. 421, the Full Faith and Credit Act, which would require the Treasury to make interest payments on the debt its first priority in the event that the debt ceiling is not raised. On behalf of the more than one million members and supporters of the Council for Citizens Against Government Waste (CCAGW), I urge you to support this legislation.

As high levels of federal spending persist, the nation is on pace to reach its statutory \$14.3 trillion debt limit sometime this spring. Debates over whether or not to raise the debt ceiling have ensued and scare tactics are being employed to compel members to vote for another increase, or experience "catastrophic economic consequences" and allegedly be forced to default on the national debt.

These threats of default, however, have no merit. If Congress refuses to raise the debt ceiling, the federal government will still have more than enough money to service the national debt. In fact, next year's tax revenues are projected to cover nearly 67 percent of all government expenditures. About 6.5 percent of projected federal expenditures will go toward interest on the debt. That means the federal government brings in more than 10 times the amount needed to cover the nation's debt obligations. There is simply no excuse to default on the debt. The Full Faith and Credit Act would ensure the nation makes good on its debt obligations first and foremost.

If the debt ceiling is not raised, the nation can avoid debt default, but it will not be able to escape the drastic spending cuts necessary to fill the budget hole. CCAGW urges all members of Congress to work toward making important spending cuts now, and to insist that any increase in the nation's debt limit be subject to substantial budget reductions.

The federal government has a responsibility to fulfill its moral and financial obligations to its debt holders and to its taxpayers. I strongly urge you to support the Full Faith and Credit Act. All votes on H.R. 421 will be among those considered in CCAGW's *2011 Congressional Ratings*.

Sincerely,

A handwritten signature in black ink that reads "Thomas Schatz". The signature is written in a cursive, slightly slanted style.