



August 23, 2017

## **Support the Debt Ceiling Alternative Act, H.R. 3167**

On behalf of our activist community, I urge you to contact your representative and ask him or her to support the Debt Ceiling Alternative Act, H.R. 3167, introduced by Rep. David Schweikert (R-Ariz.). The bill would bring responsible debt management when the federal government reaches its borrowing limit.

Between January 2007 and August 2017, debt held by the public has grown from \$4.9 trillion to \$14.39 trillion. Including intergovernmental holdings, the total national debt has grown from \$8.67 trillion to \$19.84 trillion. The public's share of the debt is only going to continue to grow. Currently at 77 percent of gross domestic product (GDP), debt held by the public will rise to 89 percent in 2027, according to the Congressional Budget Office, and 150 percent in 2047.

Despite this clear warning that the federal government faces a long-term fiscal crisis, there is a cacophony of cries for more spending and more debt even as mandatory spending – including Medicare and Social Security – consumes 65 percent of all federal outlays. This is generational theft, and there is no avoiding that fact.

Still, Congress will soon consider a debt ceiling increase to allow the Department of the Treasury to pay the federal government's obligations. The Department of the Treasury has used "extraordinary measures" to prioritize these payments since March 16. These measures, which were extended in July, will once again be exhausted on September 29.

The Debt Ceiling Alternative Act requires the Department of the Treasury to issue GDP-linked bonds to pay principal and interest on debt held by the public, and allow for the rescission of unobligated funds that exceed \$900 billion. It would also allow for the sale of mortgage-related assets owned by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation and securities held by the Federal Reserve.

As Congress approaches the debt ceiling, it should consider better and more responsible ways for the federal government to manage debt. The Debt Ceiling Alternative Act provides responsible

solutions to accomplish this goal. For these reasons, I urge you to contact your representative and ask him or her to support the Debt Ceiling Alternative Act, H.R. 3167.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Brandon', with a stylized flourish at the end.

Adam Brandon  
President, FreedomWorks