

United States Senate
WASHINGTON, DC 20510-3203

May 12, 2023

Dear Colleague:

Earlier this week, I met with President Biden, Speaker McCarthy, Leader McConnell, and Leader Jeffries to discuss the pressing need to avoid the nation's first ever-default. Our message to our Republican colleagues was plain and simple: Take Default Off the Table.

The American people overwhelmingly agree. A recent [Washington Post-ABC poll](#) found that 58% of U.S. adults believe that the nation's debt payment and federal spending decisions should be handled separately, with only a meager 26% arguing the two should be linked, as Congressional Republicans have insisted.

The United States' first-ever default would be catastrophic for the American people and our nation's future. As we laid out in our meeting, default would:

1. **Crash the Economy:** Economists predict that the first-ever default would risk shrinking real GDP by 6.1%.
2. **Increase Costs:** Analysis has shown the first-ever default would cause the cost of mortgages, car payments, and small business loans to skyrocket. All the while, the retirement accounts of hard-working Americans would plummet.
3. **Kill Jobs:** Experts warn the first-ever default would cost the U.S. upwards of 8.3 million jobs, throwing everyday Americans' lives into disarray and upending our economy.

For a fulsome analysis of the fallout of default, I encourage you to read the updated [Joint Economic Committee report](#) and to share the sobering findings far and wide with your constituents in your state.

For generations, Congress has made spending and revenue decisions as part of the annual budget process, kicked off by the release of the President's budget earlier this year. In contrast to the MAGA Republicans' hard-right Default On America Act, the President's budget cuts \$3 trillion from the deficit by eliminating unnecessary spending and asking the wealthy and well-connected to pay their fair share, all the while preserving strategic investments that strengthen the middle class and increase American competitiveness.

We welcome a bipartisan debate about our nation's fiscal future. But as the President, Leader Jeffries, and I made plain to our Republican colleagues, we must not do so under the reckless threat of catastrophic default by the hard-right.

This is too important for brinksmanship and reckless ultimatums.

White House staff, along with aides from my office, the Speaker's office, Leader McConnell's office, and Leader Jeffries' office will continue to meet in an attempt to find a constructive way forward. At the same time, our Senate committees, led by our Budget, Appropriations, and

Finance Committees, will continue their work highlighting the devastating impact of Republicans' Default On America Act.

I urge you to implore our Republican colleagues: [Take Default Off the Table](#).

The clock is ticking.

Sincerely,

A handwritten signature in blue ink that reads "Charles Schumer". The signature is written in a cursive, flowing style.

Charles E. Schumer
United States Senator