

Subject: Urgency of Raising the Debt Ceiling

We need the debt ceiling raised NOW before it is too late. At the same time, we should have good faith negotiations between the GOP and the Democrats on the federal budget. We should not couple the debt ceiling with the budget negotiations, otherwise, this will happen every time we need to raise the debt ceiling.

McCarthy is willing to default on our debts, paralyze the nation's economy, reduce critical social programs (such as Medicaid and veterans benefits), undermine our climate change fight with short-sighted, fossil-fuel-first policies, and threaten the clean energy boom that is creating hundreds of thousands of new jobs nationwide. Maybe we should start with the tax reductions to billionaires and millionaires, approved by Congress during the Trump presidency, that accounts for 25% of the current debt.

According to economists interviewed by the Washington Post, agreed that not raising the debt limit has significant consequences in seven terrifying steps:

- 1) Treasuries get downgraded — as does virtually every other asset on earth.
- 2) Interest rates rise for U.S. consumers, businesses and the government.
- 3) Global investors likely would sell U.S. dollar-denominated assets as confidence in them evaporates; the dollar might lose value in foreign-exchange markets.
- 4) Stock markets plummet. Investments that are even slightly risky become less attractive to hold amid so much uncertainty.
- 5) Companies holding Treasuries suffer hits to both revenue and balance sheets.
- 6) There might be a scramble to close out trades that people would otherwise hold.
- 7) If No. 6, happens, and everyone attempts to close out their trades at once, some of the infrastructure underpinning large parts of the financial system (called “central counterparty clearinghouses”) could essentially get overwhelmed and go down.

Stop this insanity. Raise the debt ceiling NOW. Then negotiate on the budget so we don't continue to have this issue. Thank you.