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# United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

April 14, 2011

RUSSELL SULLIVAN, STAFF DIRECTOR  
CHRIS CAMPBELL, REPUBLICAN STAFF DIRECTOR

The Honorable Max Baucus  
Chairman  
Senate Committee on Finance  
219 Dirksen Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:

One of the original matters of jurisdiction of the Finance Committee is bonded federal debt. In a letter dated April 4, 2011, Secretary Geithner indicated the federal debt limit is likely to be reached on May 16, 2011. Secretary Geithner indicated additional or administrative measures may extend that deadline by a few weeks to July 8, 2011. It is clear the Senate will need to address this matter in a few weeks. As this deadline approaches, we believe it appropriate that the Finance Committee exercise its jurisdiction and markup any debt limit legislation likely to be considered by the full Senate.

The last debt limit increase of \$1.9 trillion (the largest in history) was processed on the Senate floor and not in committee. It included a Senate Democratic Leadership fiscal reform known as the statutory pay-go regime. While Republicans disagreed with the form, substance, and operation of that pay-go regime, we recognize that a large debt limit increase made a companion fiscal reform measure compelling. From our perspective, the need for a much different fiscal reform is even more compelling now. A review of Congressional Budget Office ("CBO") projections of future federal debt levels, under the President's Fiscal Year 2012 budget, makes the point clearly. We think it is important to begin working together in a manner to establish the basis for a timely markup of legislation that will insure effective fiscal reforms are debated and, hopefully, put in place.

It would be a mistake and a missed opportunity for the Senate to consider this important piece of debt limit increase legislation without its having first been marked up by the Finance Committee. The Committee process would provide the members and staff the ability to use the Committee's collective expertise to produce a product that is the result of a deliberative process rather than a partisan bill that is hastily written behind closed doors. We also need time for the entire Senate to engage in a substantive amendment process – which could also be limited to the topics covered by the bill – that allows members who are not on the Committee to be heard.

Under your leadership, we believe the Finance Committee can return to its central role in dealing with the debt limit. We pledge to work together in a cooperative manner.

Sincerely,



Orrin G. Hatch



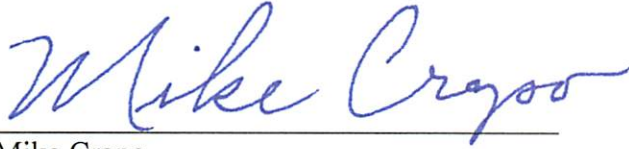
Chuck Grassley



Olympia J. Snowe



Jon Kyl



Mike Crapo



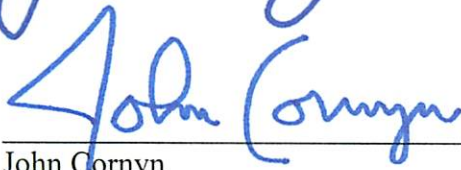
Pat Roberts



John Ensign



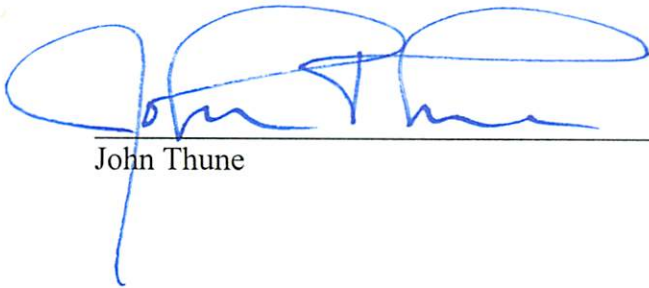
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