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# Marco Rubio Says His Money Troubles Are Just Like Yours... That's Not Quite True

The Senator is spot on when he says he has struggled with debt, but it's spending, not a lack of income, that has haunted him for much of his adult life.

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🕒 December 9, 2015

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Marco Rubio says he understands the average American's financial anxieties because he's lived them. He was a child of working immigrants, not the 1 percent. He has scraped by, month to month. And he has faced the massive debt that haunts much of working-class America.

That experience is among the Florida senator's key arguments as he makes his case for the Republican presidential nomination. "If I'm our nominee, how is Hillary Clinton going to lecture me about living paycheck to paycheck?" Rubio said memorably during the GOP's first debate. "How is she going to lecture me about student loans? I owed over \$100,000 just four years ago."

And up to a certain juncture in his life, Rubio's rhetoric matches reality. His childhood, growing up in Miami's Little Havana, the son of a bartender and a hotel maid, both Cuban immigrants, was a world away from the wealth and privilege that was the birthright of candidates like Jeb Bush or Donald Trump, or even the suburban, middle-class childhood of Hillary Clinton.

Rubio's adulthood, though, is a different matter altogether. As Rubio struck out on his own, his story was no longer the tale of a working-class American scraping to get by, but of a man who made money on a scale working Americans could only imagine, yet somehow managed to spend even more.

By 1999, at the age of 28, Rubio was pulling in just shy of six figures—triple the typical household income of his fellow Floridians. But instead of taking steps then to pay off his law school loans, that was the year he piled up \$30,000 in new consumer debt. It was a pattern that Rubio would repeat. As he rose in the Florida legislature, so did his outside income as a government-relations lawyer, hitting \$300,000 annually before he turned 35. And while Rubio wrote, “We are not wealthy,” in his 2012 memoir, that book's \$800,000 advance payment was more than what many Americans earn in a lifetime.

So while it's true that Rubio has lived a life of financial hardship, a review of a decade and a half of his financial-disclosure statements reveals it's a mess of his own making. For a number of years, Rubio's income jumped while his spending—including on luxury items—rose even further, keeping the candidate in debt even as his financial and political prospects grew ever brighter. Indeed, it was only after earning \$1.1 million from his two books that Rubio has been able to dig himself out of that hole—and even with that money, Rubio still found it necessary to liquidate a retirement account last year to make ends meet.

Rubio's campaign did not respond to several *National Journal* emails over several weeks with numerous questions about his personal finances.

Some who served with him in the Florida legislature say his modest upbringing equipped him with neither the acumen nor the self-discipline to handle a big income wisely.

“When you have those kind of earnings, and you've never seen it, you try to do some things that you thought you could never do,” said Dennis Baxley, who served as Rubio's speaker pro tempore when Rubio led the Florida House. “It might be one of those things you put in that file: I might have done things differently.”

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“The debt will double by the middle of this decade and triple by the end of this decade,” Rubio said in 2010. “So you clearly have a spending problem.”

The setting was a candidates’ debate in his Senate race, and Rubio was referring to the federal debt—but he could also have been talking about his own bottom line.

In interviews, Rubio acknowledges his money problems, and suggests they give him a shared experience with much of Middle America. “I obviously don’t come from a wealthy family,” Rubio told ABC News last month. To Fox News, Rubio implied that his financial woes were long past: “The truth is, my finances—not anymore, but maybe my first 10, 15 years of my marriage—looked a lot more like the people I represent than the people I served with.”

But Rubio has been married for 17 years, and the financial difficulties have been a near constant—even though his income, thanks to his law degree, has always been significantly higher than that of most Americans. In late 1996, after graduating from the University of Miami Law School that spring and working on the Bob Dole presidential campaign through the November election, Rubio took a job with the Tew Cardenas law firm at a \$57,000 salary.

While that figure may not seem impressive in 2015, particularly in high-cost, high-wage areas of the country, it was actually nearly twice the median household income in Florida in 1997. Rubio writes in *An American Son* that he really wanted to work as a prosecutor in the Miami-Dade State Attorney’s office, but that the pay was less than \$30,000 and he felt he needed to make more money.

The higher pay in the private sector, though, did not make the land-use and zoning work there any more interesting. “I was doing well at Tew Cardenas,” Rubio wrote in his memoir. “But when I look back on my years there, it’s clear that while my time might have belonged to the firm, my heart belonged to politics.”

That opportunity came quickly enough, as Rubio ran for and won a West Miami City Commission seat in early 1998, when he was still 26 years old. And with his new political position came an offer from another law firm, with a substantial pay raise. This pattern would repeat itself, as Rubio jumped into a special election for an open Florida House seat in late

1999 and rose through the House leadership ranks. When the ambitious Rubio secured enough pledges in late 2003 to become the first Cuban-American speaker in Florida history, he found a new firm that was willing to pay him \$300,000 a year.

Yet even that sum was not enough to get Rubio's finances in the clear. Because as his income grew, so did the price tag on Rubio's chosen lifestyle. In late 2004, he decided to move from the \$175,000 house he had purchased in 2003 to one twice the size he was having built a few blocks away for \$550,000. Rubio writes in *An American Son* that he needed the space for his growing family—two children already and another on the way. Yet even though the house was built to his specifications, Rubio in 2005 quickly secured a \$135,000 home-equity loan on it. Also that year, Rubio and his close friend and political ally David Rivera (now a former congressman implicated in a criminal federal campaign finance investigation) bought a \$135,000 house together in Tallahassee to use when the legislature was in session.

During this period, Rubio put little into retirement or savings, so that when the state's real estate market eventually tanked, his net worth did as well, falling from \$316,555 in 2005 to \$8,352 in 2008. In 2010, as Rubio started running for Senate, his Tallahassee home was almost foreclosed upon because he and Rivera went five months without making a payment (<http://www.politico.com/story/2015/03/marco-rubios-house-of-horrors-116075?o=1>); Rivera delivered a check for the past-due balance at the last minute to stop the bank's legal action.

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Entwined into Rubio's storyline that his money struggles are comparable to those of typical Americans is the related idea that he, too, is an outsider, frustrated with a broken political system.

Yet more so than most of his Republican rivals, Rubio's adult life is the definition of career politician. Sixteen of the 19 years since he graduated from law school have been spent in elective office. And during those three years that he was not, plus all 11 years on the West Miami City Commission and in the Florida House, Rubio worked as a government-affairs lawyer, helping clients get their proposals past zoning boards and other agencies.

After his final session as speaker, Rubio became a consultant (he could not legally “lobby” the state legislature for two years) to some of the same entities whose state grants he had helped oversee as speaker. (Critics at the time called it lobbying in all but name.) The financial disclosures he filed as a Senate candidate and in his first year as a senator show he earned \$600,000 that way from the time he left Tallahassee to the time he arrived in Washington.

“He’s had some very lucrative years,” said Tampa GOP consultant Chris Ingram, who supported Rubio for a time in 2009 before souring on him.

Victor Crist, a Republican who served in the legislature with Rubio and is now a county commissioner in Tampa’s Hillsborough County (and no relation to Charlie), said he can understand how becoming a big shot in the legislature can get someone unaccustomed to dealing with money into trouble.

“The higher you go in leadership, the more grand, and the more expensive it becomes. It’s no longer at the DoubleTree, it’s at The Breakers,” Crist said, referring to the iconic Palm Beach hotel. “It’s no longer a room with double beds, it’s the presidential suite. It can easily go to your head, where you can get a false sense of self-importance,” Crist said.

From racking up \$30,000 in credit-card debt in 1999 to jumping to a much bigger, much more expensive house in 2005, to borrowing against that house even further with a \$135,000 line of credit, Rubio seemed to waste little time spending any increase in income that came his way. The pattern continued even following his big book deal. While Rubio did pay off his law school debt, he also purchased a new \$80,000 fishing boat (rather than a used one, which would have cost tens of thousands of dollars less, and likely would have come much better equipped) and leased a luxury car (rather than buying one, meaning he will have nothing to show for all his payments at the end). With all of that money out the door so quickly, Rubio found himself cashing in a \$68,000 retirement account in 2014, likely losing more than a third of that to taxes and penalties, to take care of such expenses as replacing a broken refrigerator.

“All of a sudden you’re hanging out with people with very deep pockets and very lavish lifestyles, and you want to be the same,” Crist said. “It’s like somebody winning the lottery. When someone comes into a lot of money suddenly, they can lose it suddenly.”

Ingram, though, is less charitable, calling Rubio's inability to keep his own finances in order a telling character trait. "He's trying to live beyond his means. They're trying to keep up with the Joneses down in Miami," he said. "I don't think that's how most average Americans manage their money, and I don't think that's how average Americans want their president of the United States to manage their money."