



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

May 9, 2025

The Honorable Mike Johnson
Speaker
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

I am writing to provide you with an update regarding the debt limit. Because there is significant uncertainty in projecting government cash flows months into the future, it is impossible to identify precisely how long cash and extraordinary measures will last. However, after reviewing receipts from the recent April tax filing season, there is a reasonable probability that the federal government's cash and extraordinary measures will be exhausted in August while Congress is scheduled to be in recess. Therefore, I respectfully urge Congress to increase or suspend the debt limit by mid-July, before its scheduled break, to protect the full faith and credit of the United States.

Prior episodes have shown that waiting until the last minute to suspend or increase the debt limit can have serious adverse consequences for financial markets, businesses, and the federal government, harm business and consumer confidence, and raise short-term borrowing costs for taxpayers. These risks were underscored by the Treasury Borrowing Advisory Committee in a report issued on April 29, 2025, raising concerns including increased volatility and costs, negative impacts on U.S. financial strength, and a heightened risk of a default.¹

A failure to suspend or increase the debt limit would wreak havoc on our financial system and diminish America's security and global leadership position.

I will continue to update Congress as more information becomes available.

Sincerely,

Scott K. H. Bessent

¹ Treasury Borrowing Advisory Committee, "Report to the Secretary of the Treasury from the Treasury Borrowing Advisory Committee" (April 29, 2025), available at <https://home.treasury.gov/news/press-releases/sb0121>.

Identical letter sent to:

The Honorable Hakeem Jeffries, House Democratic Leader

The Honorable John Thune, Senate Majority Leader

The Honorable, Charles E. Schumer, Senate Democratic Leader

cc: The Honorable Jason Smith, Chairman, House Committee on Ways and Means

The Honorable Richard E. Neal, Ranking Member, House Committee on Ways and Means

The Honorable Mike Crapo, Chairman, Senate Committee on Finance

The Honorable Ron Wyden, Ranking Member, Senate Committee on Finance