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COMMITTEE ON
WAYS AND MEANS

JOINT ECONOMIC
COMMITTEE

Congress of the United States
House of Representatives
Washington, DC 20515-0306

January 31, 2023

The Honorable Janet Yellen
Secretary
Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

Dear Secretary Yellen:

I write to you to urge the United States Department of the Treasury (“Treasury”) to utilize its various debt management capabilities and inquire on its internal efforts processes to do so.

On October 9, 1985, the Government Accountability Office (“GAO”) determined that the Secretary of the Treasury (“Secretary”) “has the authority to determine the order in which obligations are to be paid” in the event that Congress does not raise the debt ceiling.¹ The decision also found there is no obligation for the Secretary to pay outstanding obligations in any particular order and, further, that they may choose to liquidate any outstanding obligations they find serves the United States’ best interests.

On January 19, 2023, you announced that extraordinary measures to pay outstanding federal government bills had begun.² On numerous occasions, you have maintained that without lifting the debt ceiling, the United States will default on its debt and face an uncertain economic future. In the past, Treasury has maintained it is unable to take the actions GAO outlined, citing issues such as outdated systems and technical complexities.³

I write to you with the following questions:

¹ GAO. “Question Concerning Secretary of the Treasury’s Authority”. Oct. 9, 1985.
<https://www.gao.gov/products/b-138524-0>

² Cox, Chelsey. “Yellen says Treasury is taking extraordinary measures to avoid default as U.S. hits debt limit”. *CNBC*, Jan. 19, 2023. <https://www.cnbc.com/2023/01/19/yellen-says-treasury-is-taking-extraordinary-measures-to-avoid-default-as-us-hits-debt-limit.html>

³ Committee on Financial Services. “The Obama Administration’s Debt Ceiling Subterfuge: Subpoenaed Documents Reveal Treasury Misled Public In Attempt To “Maximize Pressure On Congress”. Feb. 1, 2016.
https://financialservices.house.gov/uploadedfiles/debt_ceiling_report_final_01292015.pdf

1. What progress has Treasury made in taking the measures outlined in the 1985 GAO decision?
2. Has Treasury taken the necessary steps in upgrading their technical systems in order to accommodate these measures?

Sincerely,

A handwritten signature in blue ink, appearing to read 'David Schweikert', with a long horizontal flourish extending to the right.

David Schweikert
Member of Congress