



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

October 18, 2021

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

Dear Madam Speaker:

The increase in the debt limit signed into law last week provides a high degree of confidence that Treasury will continue to be able to finance the operations of the federal government through December 3, 2021. However, it is imperative that Congress act to increase or suspend the debt limit in a way that provides longer-term certainty that the government will satisfy all its obligations.


The recent increase in the debt limit provides only a temporary reprieve, and Treasury will need to use certain extraordinary measures through December 3. On September 28, I informed you that I had determined that a debt issuance suspension period (DISP) would continue through October 18, 2021. In light of the recent increase in the debt limit, I am writing to notify you, pursuant to 5 U.S.C. § 8348(1)(2), of my determination that, by reason of the statutory debt limit, I will be unable to fully invest through December 3, 2021 the portion of the Civil Service Retirement and Disability Fund (CSRDF) not immediately required to pay beneficiaries and that the DISP previously determined to end on October 18, 2021 will continue through December 3, 2021. As a result, during such period, Treasury will generally suspend additional investments of amounts credited to, and will redeem an additional portion of the investment held by, the CSRDF, as authorized by law.

In addition, because the Postal Accountability and Enhancement Act of 2006 provides that investments in the Postal Service Retiree Health Benefits Fund (PSRHBF) shall be made in the same manner as investments for the CSRDF, Treasury will also suspend additional investments of amounts credited to, and will redeem an additional portion of the investments held by, the PSRHBF. By law, the CSRDF and PSRHBF will be made whole once the debt limit is increased or suspended. Federal retirees and employees will be unaffected by these actions.

Treasury will also extend its suspension of the sale of State and Local Government Series securities, which was initially announced on July 23, 2021.

Again, I respectfully urge Congress to act to protect the full faith and credit of the United States.

Sincerely,

A handwritten signature in black ink that reads "Janet L. Yellen". The signature is written in a cursive, flowing style.

Janet L. Yellen

Identical letter sent to:

The Honorable Kevin McCarthy, House Republican Leader
The Honorable Charles E. Schumer, Senate Majority Leader
The Honorable Mitch McConnell, Senate Republican Leader

cc: The Honorable Richard E. Neal, Chairman, House Committee on Ways and Means
The Honorable Kevin Brady, Ranking Member, House Committee on Ways and Means
The Honorable Ron Wyden, Chairman, Senate Committee on Finance
The Honorable Mike Crapo, Ranking Member, Senate Committee on Finance