



Dear Secretary Yellen:

As State Treasurers, Auditors and financial officers, we take the Treasury Department's ability to continue to finance the operations of the federal government and service our debt obligations seriously. As state financial officers, not only are we investors in and holders of federal debt, but we are also responsible for safeguarding the adequacy of state funds to ensure the ability to provide necessary public services without interruption. In your [letter](#) to Speaker McCarthy dated May 26, you indicated that as early as June 5 it is highly likely the Treasury would no longer be able to satisfy the government's obligations.

While there is legislative text actively being considered as a result of an agreement between Speaker McCarthy and President Biden, we recognize that much work remains to finalize any agreement. Consequently, we remain concerned about the lack of specificity in your public communications regarding how the Treasury would prioritize payments if Congressional debate stretches beyond [June 5](#). The administration's public comments have implied that past this date there are only two alternatives – an extension of the debt ceiling or a default on the nation's debt. As financial officers ourselves, we are aware that this is a false choice. In the event you are unable to meet all of the government's spending obligations, there are a number of options before you with respect to prioritization of payments.

We are writing today to ask for clarity.

We've been through this before. In 2016, a House Financial Services [investigation](#) [found](#) that your predecessors in the Treasury Department had detailed plans with respect to prioritization of payments during the debt ceiling negotiations a decade ago. That same investigation found that Treasury and the Federal Reserve Bank of New York had conducted exercises to plan for a debt ceiling impasse and, in fact, had prepared to prioritize principal and interest payments on the debt.

Here are our questions:

- What are the Treasury Department's current plans to ensure no government default on the debt occurs, irrespective of The Treasury Department's inability to satisfy all its obligations?
- What is the detailed explanation, including all relevant data, for the date Treasury expects extraordinary measures to fully cease?

We respectfully request a public statement from The Treasury Department clarifying that debt payments will be given the highest priority for payment.

Sincerely,



Alabama Auditor Andrew Sorrell



Alaska Commissioner of Revenue Adam Crum



Arizona Treasurer Kimberly Yee



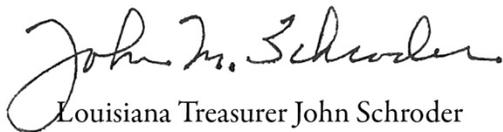
Kansas Treasurer Steven Johnson



Kentucky Auditor Mike Harmon



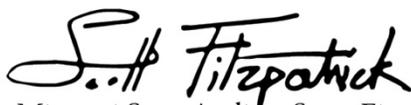
Kentucky Treasurer Allison Ball



Louisiana Treasurer John Schroder



Mississippi Treasurer David McRae



Missouri State Auditor Scott Fitzpatrick



Missouri Treasurer Vivek Malek



Nebraska Treasurer John Murante



Nevada Controller Andy Matthews



North Carolina Treasurer Dale Folwell



North Dakota Treasurer Thomas Beadle



Ohio Treasurer Robert Sprague



Oklahoma Treasurer Todd Russ



Pennsylvania Treasurer Stacy Garrity



South Carolina Treasurer Curtis Loftis



South Dakota Treasurer Josh Haeder



Texas Comptroller Glenn Hegar



Utah Treasurer Marlo Oaks



West Virginia Treasurer Riley Moore