



October 26, 2015

Honorable Orrin G. Hatch
Chairman
Committee on Finance
United States Senate
Washington, DC 20510

*Re: Updated Information About Federal Debt and the Statutory Limit,
October 2015*

Dear Mr. Chairman:

This letter responds to your request for confirmation of the Treasury Department's recent projections that the extraordinary measures for borrowing additional funds without breaching the debt ceiling will be exhausted no later than Tuesday, November 3, and that the cash balance will be less than \$30 billion at that point.¹

On the basis of additional data and updated projections of expected borrowing in the short term, the Congressional Budget Office confirms that the extraordinary measures will be exhausted in the first few days of November and that the Treasury's cash balance is likely to fall below \$30 billion—an amount that the Treasury states will be far short of net expenditures on certain dates—at about the same time. The Treasury's cash balance will continue to fall thereafter and could be well below \$30 billion by the end of the first week of November.

CBO's staff has recently discussed with debt management analysts at the Treasury Department the data they used to project major cash flows over the next two weeks. Those projections are very similar to CBO's own expectations of large payments and deposits in that period. CBO has also incorporated in its estimates the most recent information on actual cash flows.

¹ See Jacob J. Lew, Secretary of the Treasury, letter to the Honorable John A. Boehner, Speaker of the House (October 15, 2015), <http://go.usa.gov/c3T5e> (PDF, 1.2 MB).

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As of today, estimates of Treasury's cash balances over the next few weeks are slightly lower than they were on October 14, when CBO projected that "if the debt limit remains unchanged, the Treasury will begin running a very low cash balance in early November, and the extraordinary measures will be exhausted and the cash balance entirely depleted sometime during the first half of November."²

I hope this information is helpful to you.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith Hall". The signature is fluid and cursive, with the first name "Keith" and last name "Hall" clearly distinguishable.

Keith Hall
Director

cc: Honorable Ron Wyden
Ranking Member

Honorable Paul Ryan
Chairman
House Committee on Ways and Means

Honorable Sander M. Levin
Ranking Member
House Committee on Ways and Means

² Congressional Budget Office, *Federal Debt and the Statutory Limit, October 2015* (October 2015), www.cbo.gov/publication/50888.