



American
Bankers
Association®



September 13, 2021

The Honorable Charles Schumer
Majority Leader
United States Senate
Washington, DC 20510

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

The Honorable Mitch McConnell
Republican Leader
United States Senate
Washington, DC 20510

The Honorable Kevin McCarthy
Republican Leader
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Pelosi, Majority Leader Schumer, Republican Leader McConnell, and Republican Leader McCarthy:

The undersigned trade associations represent broker dealers, banks, asset managers and related financial institutions of all size. Our members fully support Congressional efforts to raise the federal debt ceiling without delay. Our domestic capital markets are the strongest, deepest, and most liquid in the world where American investors of all kinds choose to invest and grow savings. A failure to act would negatively impact the creditworthiness of the United States to the detriment of financial stability and the overall economy.

According to the Treasury Department, the government will exhaust cash and extraordinary measures during the month of October. It is critically important that the United States stands fully behind its obligations. U.S. Treasuries are vital investments for Americans and other investors around the world because they are considered the safest and most liquid assets, backed by the full faith and credit of the United States government. Financial market participants, corporates, states, and municipalities also rely on U.S. Treasuries for risk hedging, transaction collateral, and short-term investments. Any default would negatively impact the general economy, disrupt the operations of our financial markets, undermine confidence, and raise funding costs in the future.

We believe it is incumbent upon both the Administration and Congress to address the nation's long-term fiscal health. Defaulting on our existing obligations would be irresponsible and do irreparable harm to the US economy and taxpayers. We respectfully urge you to act and take the critical steps

necessary to protect our nation's financial standing in the world. Even a short-term delay would cause serious harm at a time when our economy continues to recover from the impact of the COVID-19 pandemic.

Thank you for consideration of our position and urgent request. We look forward to continuing to work with you on this critical issue.

Respectfully submitted,

Securities Industry and Financial Markets Association
American Bankers Association
Bank Policy Institute
Financial Services Forum
Investment Company Institute