

U.S.

Mitch McConnell: ‘Zero Chance’ U.S. Fails to Raise Debt Ceiling

GOP Senate leader expressed confidence in Congress’s ability to avoid missing federal payments



Senate Majority Leader Mitch McConnell, shown August 1, said Monday ‘there is zero chance, no chance we won’t raise the debt ceiling.’ PHOTO: J. SCOTT APPLEWHITE/ASSOCIATED PRESS

By Richard Rubin and Kate Davidson

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Senate Majority Leader Mitch McConnell (R., Ky.) said Monday there was “zero chance” that the U.S. would fail to raise the federal debt ceiling.

Mr. McConnell expressed confidence in Congress’s ability to avoid missing federal payments in advance of a legislative sprint in September that will also address expiring government funding and several other pressing items.

“There is zero chance, no chance we won’t raise the debt ceiling,” he said at an event in his hometown, Louisville, Ky., with Treasury Secretary Steven Mnuchin.

Mr. Mnuchin said his “magic super Treasury powers” that allow the government to conserve cash and avoid issuing new debt will run out at the end of September.

The Treasury Department has been employing cash-conservation measures since March, when the previous suspension of the debt limit expired and the new ceiling was set at nearly \$20 trillion.

If Congress doesn't raise the debt ceiling to allow new borrowing, the U.S. could default on its debt or miss payments of benefits and salaries.

"This is not about spending money," Mr. Mnuchin said. "This is about paying for what we've spent, and we cannot put the credit of the United States on the line."

Lawmakers return to Washington in September, after their August recess and the Labor Day holiday. Republican leaders haven't said yet exactly how the debt ceiling might get raised, and the legislation will be a significant test for the GOP majorities in Congress and President Donald Trump.

Mr. Mnuchin reiterated his preference for a "clean" debt-limit increase without policy strings attached. But Republicans have for years insisted on conditions such as spending cuts.

In the Senate, a debt-limit bill will likely need to be bipartisan, because it would take 60 votes to overcome procedural hurdles.

House Minority Whip Steny Hoyer (D., Md.) said in May that a "significant number" of Democrats would vote for a clean debt-limit bill. That would match the position Democrats held under President Barack Obama, who also asked for clean increases.

Other Democrats, however, may be wary of giving up leverage. The decision could be even more difficult for them if the debt limit is included in the same bill as government funding, health-policy changes or funding for construction of a border wall.

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