

POLITICS

# Treasury Secretary Backs Trump's Comments on Government Shutdown

Treasury secretary tells lawmakers that 'a good shutdown' of government may be appropriate in some circumstances



U.S. Treasury Secretary Steven Mnuchin testifies before the Senate Budget Committee hearing on the president's proposed budget request Tuesday. PHOTO: TASOS KATOPODIS/EUROPEAN PRESSPHOTO AGENCY

*By Kate Davidson*

June 13, 2017 12:25 pm ET

WASHINGTON—Treasury Secretary Steven Mnuchin said Tuesday there could be circumstances under which a shutdown of the U.S. government would be a desirable outcome.

Mr. Mnuchin, who was testifying before the Senate Budget Committee, was asked about President Donald Trump's tweet earlier this year that the country "needs a good 'shutdown' in September."

Asked whether he thought there was such a thing as a "good" shutdown, Mr. Mnuchin told lawmakers, "It's an unfortunate outcome. At times there could be a good shutdown, and times there may not be a good shutdown."

"It's not our primary objective to have a shutdown," he added.

---

READ MORE

---

- Mnuchin Urges Congress to Lift Debt Ceiling Before August Recess
  - James Dimon, Treasury's Mnuchin Sing Same Bank Overhaul Song
  - Trump Signs \$1.1 Trillion Spending Bill, Avoiding Government Shutdown
  - Trump Says Government Shutdown Could Be Needed 'to Fix Mess'
- 

Congress reached an agreement in April to fund the government through Sept. 30, the end of the fiscal year, but will have to pass new spending bills for fiscal year 2018 or reach another agreement to keep the government operating beyond that point.

Mr. Mnuchin emphasized that the administration would never allow

critical government functions to be shut down

The government faces another significant challenge in September, when it may run out of cash to pay its bills unless lawmakers lift the federal borrowing limit. Government debt hit that limit in mid-March, and Treasury has been using cash-conservation measures since then to keep meeting its obligations, including payments on government debt, Social Security and veterans benefits.

Mr. Mnuchin urged lawmakers to lift the debt ceiling before they leave for a five-week recess July 28. But he said Tuesday that Treasury has plans to fund the government “through September when you get back” if Congress fails to raise the borrowing limit before they leave.

“But again I urge, given the importance of this, that we send a message to the rest of the world and the markets that we take our credit very seriously,” he said.

Treasury has provided few details to Congress on when it expects to exhaust extraordinary measures and run too low on cash to pay the government’s bills in full and on time.

Mr. Mnuchin said Monday he didn’t want to provide too specific a time range, but said he was comfortable Treasury could fund the government until “the beginning of September,” slightly different than his remarks Tuesday. A Treasury spokesman didn’t immediately respond to a request for clarification.

**Write to** Kate Davidson at [kate.davidson@wsj.com](mailto:kate.davidson@wsj.com)