

Note 26. Subsequent Events

Disaster Relief

In September and October 2018, Hurricanes Florence and Michael struck the continental United States. While the full future effect of these disasters is still unknown, there will be an impact on some federal government entities as a result of assisting these areas as they strive to recover. The fiscal year 2018 *Financial Report* did not reflect any liabilities for additional disaster relief amounts that may be authorized by legislation enacted after September 30, 2018. The SBA has begun to increase its rate of administrative spending as it conducts its disaster response. This spending is consistent with SBA's experience in responding to prior disasters. The SBA could experience future variations in the performance of existing disaster and business loan portfolios as businesses in the affected areas strive to recover.

Statutory Debt Limit

As of September 30, 2018, debt subject to the statutory debt limit was \$21,474.8 billion. However, per P.L. 115-56, the statutory debt limit was temporarily suspended through March 1, 2019. Effective March 2, 2019, the statutory debt limit was set at \$21,987.7 billion and on March 4, 2019, the Secretary of the Treasury notified the Congress that the statutory debt limit would be reached on or after that day. When delays in raising the debt limit occur, Treasury often must deviate from its normal cash and debt management operations and take a number of what it calls "extraordinary measures" to meet the government's obligations as they come due without exceeding the debt limit. Treasury began taking these extraordinary actions on March 4, 2019.