



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

March 6, 2006

The Honorable J. Dennis Hastert  
Speaker of the House of Representatives  
Washington, DC 20515

Dear Mr. Speaker:

I am notifying you, as required under 5 U.S.C. § 8348(1)(2), that it is my determination that, by reason of the statutory debt limit, I will be unable to invest fully the portion of the Civil Service Retirement and Disability Fund (CSRDF) not immediately required to pay beneficiaries. For purposes of the CSRDF statute, I have determined that a "debt issuance suspension period" will begin on March 6, 2006 and last until May 26, 2006. During this "debt issuance suspension period," the Treasury Department will suspend additional investments of amounts credited to the CSRDF and redeem a portion of the investments held by the CSRDF, as authorized by law. Beneficiaries will be fully protected and will suffer no adverse consequences. The CSRDF statute requires that the Treasury restore all due interest and principal to the CSRDF as soon as this can be done without exceeding the public debt limit.

It is important to understand that the "debt issuance suspension period" noted above provides only a few days of additional borrowing capacity, which we expect will be exhausted by mid-March. When I wrote to Congress on December 29, 2005 concerning the debt limit, I stated that it was imperative that Congress take action to increase the debt limit as soon as possible. I must advise you that the Treasury has now taken all prudent and legal actions to avoid reaching the statutory debt limit. I, therefore, strongly urge Congress to pass a debt limit increase immediately. I know that you share the President's and my commitment to maintaining the full faith and credit of the U.S. Government.

Sincerely,

John W. Snow