



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

December 31, 2012

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, DC 20510

Dear Mr. Leader:

I am writing to notify you, as required under 5 U.S.C. § 8348(l)(2), of 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 this statute, I have determined that a “debt issuance suspension period” will begin on Monday, December 31, 2012, and last until February 28, 2013. With these determinations, the Treasury Department will suspend additional investments of amounts credited to, and redeem a portion of the investments held by, the CSRDF, as authorized by law. In addition, because the Postal Accountability and Enhancement Act of 2006 provides that investments in the Postal Service Retiree Health Benefits Fund (PSRHBF) shall be made in the same manner as investments for the CSRDF, the Treasury Department will suspend additional investments of amounts credited to the PSRHBF.

Both my predecessors and I have declared “debt issuance suspension periods” during previous debt limit impasses. By law, the CSRDF and PSRHBF will be made whole once the debt limit is increased. Federal retirees and employees will be unaffected by these actions.

Sincerely,



Timothy F. Geithner

Identical letter sent to:

The Honorable John A. Boehner, Speaker of the House
The Honorable Nancy Pelosi, House Democratic Leader
The Honorable Mitch McConnell, Senate Republican Leader

cc: The Honorable Dave Camp, Chairman, House Committee on Ways and Means
The Honorable Sander M. Levin, Ranking Member, House Committee on Ways and Means
The Honorable Max Baucus, Chairman, Senate Committee on Finance
The Honorable Orrin Hatch, Ranking Member, Senate Committee on Finance
All other Members of the 112th Congress