



June 21, 2017

The Honorable Elijah E. Cummings, Ranking Member

The Honorable Mark Meadows, Chair  
Subcommittee on Government Operations

Committee on Oversight and Government Reform  
U.S. House of Representatives  
Washington, DC 20515

Dear Ranking Member Cummings and Chairman Meadows:

As National President of the National Treasury Employees Union (NTEU), representing over 150,000 employees in 31 different federal agencies, I am writing to thank you for sponsoring legislation to loosen restrictions on how federal employees and retirees can withdraw money from the Thrift Savings Plan (TSP).

I have heard from many NTEU members over the years about the stringent withdrawal rules of the TSP. In our role serving on the TSP's Employee Thrift Advisory Council, we have raised this issue many times. As you have found, the withdrawal rules have not been changed since the TSP was established in 1986 and are outdated. Under the current statute, federal employees who wish to make age-based withdrawals can only do so once while they are employed, and then they cannot make a partial withdrawal once they leave government. Those who have left government and haven't made any age-based withdrawals can make one partial post-separation withdrawal, but then must move to full withdrawal options.

Your bill is sure to persuade federal employees to make use of the low administrative fees in the TSP and keep their money in the fund, positively impacting their financial security in retirement. It will allow active federal employees to make multiple age-based withdrawals from their TSP accounts, and to remain eligible for partial withdrawals once they leave government as well. Those who have left government could also make multiple partial post-separation withdrawals, which has long been desired. The bill also would allow those receiving monthly payments to change the amount of their payment at any time—instead of only once per year--and to change the frequency of payments as well.

NTEU pledges to work with you to achieve passage of this important legislation.

Sincerely,

A handwritten signature in black ink that reads "Anthony M. Reardon". The signature is written in a cursive, flowing style.

Anthony M. Reardon  
National President