



July 25, 2017

Dear Senator:

As National President of the National Treasury Employees Union (NTEU), representing over 150,000 employees in 31 different federal agencies, I am writing to ask for your support on S. 873, sponsored by Senators Portman and Carper. This legislation will 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.

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.

S.873 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 is confident that this legislation 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. I urge you to vote yes when the bill comes up in committee. Thank you.

Sincerely,

A handwritten signature in black ink that reads "Anthony M. Reardon". The signature is written in a cursive style with a prominent initial "A".

Anthony M. Reardon  
National President