

United States Senate

WASHINGTON, DC 20510

April 11, 2016

Michael Kennedy
Chairman
Federal Retirement Thrift Investment Board
77 K Street, N.E., Suite 1000
Washington, D.C. 20002

Dear Mr. Kennedy:

We are writing today to encourage you to create a simple, safe online process for individuals to expeditiously transfer or roll over funds from existing retirement accounts to their Thrift Savings Plan accounts.

The federal Thrift Savings Plan (TSP) is a remarkably successful tool to help federal workers save for retirement. By offering extremely low fees and a variety of simple, effective investment options, the TSP is a prudent retirement choice for many workers. It is unsurprising that many current and former federal workers want to move funds from their 401(k), IRA, or other accounts to take full advantage of the benefits of the TSP.

To make the most of this option, however, workers need an easy, understandable process to move their savings. Currently, workers cannot file for a transfer or rollover electronically, meaning that they must manage a cumbersome procedure that can involve multiple paper mail correspondences between the worker, the TSP, and the IRA or plan representative.

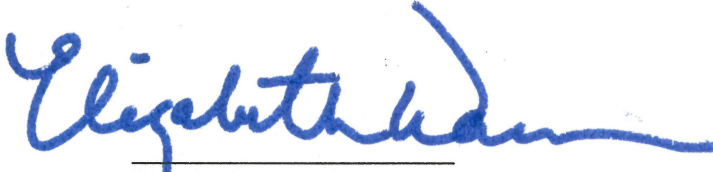
We are concerned that the current process is deterring individuals from making the most of their TSP accounts and is needlessly undermining their retirement security. Placing unnecessary hurdles in the way of individuals attempting to transfer their accounts prevents them from maximizing the benefits of their TSP. Even more worrisome is the possibility that workers do not consolidate their accounts at all, potentially leading to confusion, lost accounts, redundant management fees, and plan leakage.

We understand that the Federal Retirement Thrift Investment Board does not need congressional direction to create an online option for transfers and rollovers, and that the Board intends to create such an option. We request that you provide our offices with a timeline of the actions the Board has taken on this matter and when you intend to offer an online option to TSP participants.


The ability of individuals to move retirement funds into their TSP accounts is an important option as they consider how best to maximize the value of their retirement savings. Making this activity as quick and easy as possible by creating an online process for transfers and rollovers is a small step that would yield significant benefits, and we urge you to make this a top priority as

you work to improve the TSP so it can continue to meet the retirement savings needs of our federal workforce.

Sincerely,



Elizabeth Warren
United States Senator



Michael B. Enzi
United States Senator