

Margaret L. Baptiste
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Nathaniel L. Brown
National Secretary

Richard C. Ostergren
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June 2, 2009

The Honorable Joseph I. Lieberman
706 Hart Senate Office Building
Washington, D.C. 20510

Dear Chairman Lieberman:

On behalf of the National Active and Retired Federal Employees Association (NARFE), I am writing to endorse provisions in H.R. 1256, which the Senate will consider this week, to allow Federal Employees Retirement System (FERS) employees to credit their unused sick leave toward their retirement and make certain improvements to the federal Thrift Savings Plan (TSP).

When Congress created FERS in 1986, allowing workers to apply their unused sick leave toward retirement was traded off for other FERS benefits not available under the Civil Service Retirement System (CSRS). However, with the benefit of 23 years of hindsight, we recognize that the inequity in the treatment of accrued sick leave between FERS and CSRS has hurt productivity and increased training costs. For that reason, we strongly support the concept that all federal civilian retirement programs credit unused sick leave toward retirement.

In addition, NARFE supports a provision in H.R. 1256 which would automatically enroll newly hired federal and military employees in the Thrift Savings Plan (TSP) and make them eligible to receive an immediate matching contribution from their employing agency. This initiative will increase the percentage of federal employees who make use of the TSP to ensure they are better prepared for their retirement.

Moreover, we support adding a "Roth" option to the TSP that would allow participants to make after-tax contributions to the plan and withdraw their earnings upon retirement tax-free. Federal employees would want this feature so that they would have the same options available to private sector workers in some 401 (k) plans.

We hope that the Senate will consider NARFE's support for eliminating the FERS inequity and for making improvements in the TSP as you and your colleagues consider H.R. 1256.

Sincerely,

A handwritten signature in black ink that reads 'Margaret L. Baptiste'.

Margaret L. Baptiste
President

**National Active and Retired
Federal Employees Association**

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