

May 19, 2020

Senator Ron Johnson
328 Hart Senate Office Building
Washington DC 20510

Senator Gary Peters
724 Hart Senate Office Building
Washington DC 20510

Dear Chairman Johnson and Ranking Member Peters,

The Federal-Postal Coalition is an alliance of more than 30 national member organizations that collectively represent more than five million federal and postal workers, retirees and their survivors across the country.

The undersigned members of the coalition request that the Senate Committee on Homeland Security and Governmental Affairs conduct adequate review – including holding a committee hearing – of all three of the president’s recent nominees to the Federal Retirement Thrift Investment Board (FRTIB): John M. Barger, Christopher Bancroft Burnham and Frank Dunley. We are concerned that the Senate will approve these as privileged nominations without adequate vetting.

The FRTIB administers the Thrift Savings Plan (TSP), the largest defined contribution plan in the world with over five million participants and more than \$600 billion in assets. With that size and scope, any nominee to the FRTIB should be properly vetted and reviewed by the Senate oversight committee.

FRTIB has a statutory, fiduciary duty to maximize employee savings, and historically has done so. Federal and postal employees and retirees and military service members invest in the TSP because they are confident that their best financial interests – and no others, including political interests – are at the core of decisions made on their behalf. It is incumbent upon the committee to ensure that the FRTIB nominees will continue to uphold that duty on behalf of the millions of current and former public servants and uniformed service members they would serve.

However, these nominations, which coincide with the Administration’s new directive to the FTRIB this week to reverse course on its decision to allow the I Fund to offer emerging market investment options in China, heighten concern about the politicization of Board decisions. More than 5 million Americans who participate in the TSP should not have their retirement savings subject to disparate treatment from their fellow citizens. Among the important questions you should ask the nominees is: whether or not they will act independently on behalf of the TSP participants to whom they owe their fiduciary duty.

Furthermore, an expedited process would have no impact on current policy, and does a disservice to the men and women who will need to rely on FRTIB to protect their retirement savings. Recently, the FRTIB responded to political pressure and announced they will be delaying the implementation of the I Fund Benchmark change due to the continued global COVID-19 pandemic and the nomination of three new board members. With the FRTIB’s decision to delay implementation, there is even greater reason that the nominations of John Barger, Christopher Bancroft Burnham, and Frank Dunley should not be rushed, but instead they should be properly vetted and reviewed by the Senate Homeland Security and Governmental Affairs Committee.

For these reasons, we ask that you complete full committee consideration of the three new FRTIB nominees. Thank you for your consideration of our views and comments.

American Federation of Government Employees
American Postal Workers Union
Federal Managers Association
International Federation of Professional and Technical Engineers
National Active and Retired Federal Employees Association (NARFE)
National Association of Assistant United States Attorneys
National Association of Letter Carriers
National Association of Postal Supervisors
National Council of Social Security Management Associations (NCSSMA)
National Federation of Federal Employees
National Postal Mail Handlers Union
National Rural Letter Carriers' Association
National Treasury Employees Union
National Weather Service Employees Organization
Patent Office Professional Association
Professional Managers Association
Senior Executives Association