

February 11, 2025

The Honorable Katie Britt
502 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Frank Lucas
2405 Rayburn House Office Building
Washington, D.C. 20515

Dear Senator Britt and Representative Lucas:

The National Association of Government Defined Contribution Administrators (“NAGDCA”) and the National Council on Teacher Retirement (“NCTR”) are pleased to endorse the *Retirement Fairness for Charities and Educational Institutions Act of 2025* to allow governmental 403(b) plans to have access to the same investment vehicles as private sector 401(k) plans and other public plans such as 457(b).

Under current law, private sector 401(k) plans, and all other defined contribution retirement structures other than governmental 403(b) plans, are permitted to invest in collective investment trusts (“CITs”), an innovative investment option that uses unique asset classes and lifetime income options. CITs often have lower costs than mutual funds and annuity contracts, which are the only investment options currently available for governmental 403(b) plans. Governmental 403(b) plans offer workers who are the backbone of our society – teachers, healthcare workers, and other public servants – access to increasingly important supplemental savings vital to their overall retirement security, and they deserve access to all options to help these retirement savings grow as much as possible.

We feel strongly that CITs offer a sound investment for public sector employees and we thank you for your introduction of this important legislation. Please contact us if we can offer any assistance in this matter.

Sincerely,

Matthew Petersen
NAGDCA Executive Director

R. Dean Kenderdine
NCTR Executive Director

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Among its members, NAGDCA proudly counts 270 plan sponsors representing 15,000 governments in 49 states. Participants come from every level of state, territorial, and local government, including counties, cities, public safety agencies, school districts, transportation, and utilities. NAGDCA’s members administer governmental deferred compensation and defined contribution plans, including Section 457(b), 401(k), 401(a), and 403(b) plans.

The National Council on Teacher Retirement (NCTR) is an independent association dedicated to safeguarding the integrity of public retirement systems in the United States and its territories to

which teachers belong and to promoting the rights and benefits of all present and future members of the systems. NCTR's membership includes 63 state, territorial, and local pension systems with combined assets of more than \$2 trillion in their trust funds, serving more than 19 million active and retired teachers, non-teaching personnel, and other public employees.