Eligible USCP Officers' Use of Current Waiver and Their Thrift Savings Plan Contributions

Accessible Version

On October 31, 2017, the U.S. Capitol Police (USCP) approved a temporary blanket waiver of the mandatory retirement age through September 30, 2020. The approval letter notes that "the exemption to allow USCP police officers to work until they reach 60 years of age" would "permit up to 56 officers to remain within the Department for up to 3 additional years."

On August 21, 2019, the U.S. Capitol Police provided data regarding the age and retirement dates for the 56 officers identified as expected to turn 57 and be retirement eligible prior to October 2020.[44] In addition, they provided those officers' annual Thrift Savings Plan (TSP) contributions from 2012 through 2018.

Costs for USCP Would Depend on the Number of Officers Continuing to Work under the Waiver

Raising the mandatory retirement age would likely result in somewhat higher salary and benefit costs to the agency; however, overall agency costs would depend on the number of officers who continue to work until age 57 and may wish to work additional years.

As of August 2019, 21 (37 percent) of the 56 officers that USCP identified as qualified to work additional time beyond age 57 chose to do so (see table 6). Of the 21 officers, 5 retired after working an additional 10.2 months, on average. However, most (16) were still working under the waiver. This group had worked an additional 11.4 months, on average, as of August 2019.

Table 6: Eligible USCP Officers' Use of the Agency's Temporary Blanket Waiver of the Mandatory Retirement Age, as of August 2019

Category	Number of officers	Percent[a]	Average number (and range) of additional months worked
Officers identified in October 2017 by USCP as potentially eligible to work additional years under the waiver:	56	100	
Officers identified in October 2017 by USCP as potentially eligible to work additional years under the waiver: Retired before or when turning age 57	14	25	N/A
Officers identified in October 2017 by USCP as potentially eligible to work additional years under the waiver: Retired after age 57, working some additional time under the waiver	5	9	10.2 (2 to 20 months)
Officers identified in October 2017 by USCP as potentially eligible to work additional years under the waiver: Not retired and age 57 or over, continuing to working under waiver as of August 2019	16	29	11.4 (1 to 33 months)
Officers identified in October 2017 by USCP as potentially eligible to work additional years under the waiver: Not retired and under age 57, but potentially eligible for the waiver prior to its end in September 2020	21	38	N/A

Source: GAO analysis of U.S. Capitol Police (USCP) data. | GAO-20-137R

[a]Total does not sum to 100 percent due to rounding.

[44]The data were provided to us without names, specific birthdates, or other potentially identifying information.

The Opportunity for Continued Contributions to TSP Is a Potential Benefit for Officers

If the mandatory retirement age were raised from 57 to 60, officers who work past 57 could increase their retirement benefits through, in part, continuing to contribute to TSP and benefiting from TSP's employer matching contributions. Federal agencies contribute 1 percent of employees' basic pay to TSP, regardless of the employee's contribution (referred to as the agency automatic contribution). In addition, agencies match a portion of the employee's contributions for a possible total agency contribution of 5 percent of basic pay, including the agency automatic contribution. Therefore, employees contributing less than 5 percent of their salary do not maximize agency contribution.

To get a sense of the potential effect raising the mandatory retirement age might have on USCP officers' retirement savings, we examined the annual TSP contributions for 56 USCP officers near the age of 57.[45] We found that during the years 2012 through 2018, some of these officers made no contributions, while others made significant contributions (see table 7). For example, between 9 and 16 percent of the officers made no TSP contributions in any given year. In contrast, between 11 and 20 percent of the officers made contributions at or above the annual effective deferral limit, and between 4 and 13 percent made the maximum contribution of the elective deferral limit and catch-up contribution limit combined.[46]

Table 7: Thrift Savings Plan (TSP) Contributions of Eligible USCP Officers, 2012 through 2018

Category	2012	2013	2014	2015	2016	2017[a]	2018[b]
Annual contribution limits (in dollars): **TSP annual elective deferral limit**	17,000	17,500	17,500	18,000	18,000	18,000	18,500
Annual contribution limits (in dollars): **TSP annual catch-up contribution limit**	5,500	5,500	5,500	6,000	6,000	6,000	6,000
Annual contribution limits (in dollars): **Total**	22,500	23,000	23,000	24,000	24,000	24,000	24,500
Eligible officers' annual contributions: Average annual contribution (in dollars)	10,143	10,139	10,375	11,035	11,038	12,209	12,596
Eligible officers' annual contributions: Percent of officers making no contributions	9	11	14	11	16	15	13
Eligible officers' annual contributions: Percent of officers with contributions at or above elective deferral limit[c]	11	13	14	18	18	20	18
Eligible officers' annual contributions: Percent of officers with contributions at maximum (combined elective deferral limit plus catch-up contribution limit)[c]	4	4	5	5	11	13	9

Source: GAO analysis of U.S. Capitol Police (USCP) data. | GAO-20-137R

[a]Two (2) officers were omitted from the 2017 calculation because they did not work a full year and therefore did not contribute over a full year.

[b]Eleven (11) officers were omitted from the 2018 calculation because they did not work a full year and therefore did not contribute over a full year.

[c]Certain officers (22) turned 50 in 2013 and were not eligible to make catch-up contributions in 2012.

[45]Officers included were born in 1959 through 1963.

[46]TSP participants who are or will turn 50 in the calendar year can make catch-up contributions up to the annual limits. For 2019, the annual elective deferral limit was $19,000 ($25,000 including catch-up contributions).