

# Congress of the United States

Washington, DC 20510

September 22, 2019

The Honorable Preston Rutledge  
Assistant Secretary  
Employee Benefits Security Administration  
U.S. Department of Labor  
200 Constitution Avenue, NW  
Washington, DC 20210

Dear Mr. Rutledge:

We are concerned by a recent report of a proposed reorganization of the Employee Benefits Security Administration (EBSA), which will be effective on October 1, 2019.<sup>1</sup> The proposed reorganization appears to be a meaningful structural change from the status quo, shifting authorities to EBSA's politically-appointed deputy and creating a new director position to oversee regional offices.<sup>2</sup> We have questions about the need and basis for this proposed reorganization and whether EBSA's vital mission will be impaired. As such, we write to respectfully recommend that you delay the proposed reorganization until Congress and interested stakeholders fully understand the rationale and ramifications of this proposed reorganization for the millions of workers, retirees, and families EBSA serves.

Additionally, we ask that you respond to the following questions and document requests as soon as possible and no later than September 30, 2019.

1. What problem is this proposed reorganization designed to solve? How does it achieve those goals?
2. What specifically prompted this proposed reorganization and when did formal or informal planning for the proposed reorganization begin?
3. Has there been any formal or informal statement of need for this proposed reorganization? If so, please provide such statement(s).
  - a. Given the significance of the structural changes in this proposed reorganization, is it feasible that it can be accomplished in such a short time frame?
4. Do you have a detailed implementation plan for this proposed reorganization? If so, please provide us with a copy.
5. Please explain in detail how this proposed reorganization will help EBSA achieve its mission to provide health benefits and retirement security for all workers more efficiently and/or effectively.

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<sup>1</sup> Madison Alder, Ben Penn, and Warren Rojas, "Labor Boosts Political Staff's Power in Benefits Arm Shuffle," Bloomberg Government (Aug. 29, 2019).

<sup>2</sup> *Id.*

6. According to the news report, you noted that the proposed reorganization would provide “expanded opportunity for career advancement.”<sup>3</sup> Please explain in detail what the expanded opportunities are and which employees might be eligible for such opportunities.
7. What are the budgetary impacts of this structural change? If they were considered, please provide us with a written description of such impacts.
8. Did you conduct any quantitative or qualitative analyses as you planned this proposed reorganization? If so, please provide us with a copy. If not, why?
9. The news report says that the union workforce will not be affected.<sup>4</sup>
  - a. Given the shift in reporting for certain offices, how is that possible?
  - b. What does it mean that the unionized workforce will not be affected?
10. Does EBSA or DOL have policies and procedures regarding reorganizations? If so, please provide us with a copy.
11. Are there additional reorganization plans within EBSA? If so, please provide those plans.

We reiterate our request for you to delay the effective date of the proposed reorganization, and we look forward to your prompt responses to the foregoing questions and requests.

If you have any questions, please contact Kevin McDermott, Senior Labor Policy Advisor for the House Education & Labor Committee, at (202) 225-3725, and/or Kendra Isaacson, Senior Pensions Counsel for the Senate HELP Committee, at (202) 224-6572.

Thank you in advance for your attention to this matter.

Sincerely,



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ROBERT C. “BOBBY” SCOTT  
Chairman  
House Committee on Education & Labor



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PATTY MURRAY  
Ranking Member  
Senate Committee on Health, Education,  
Labor, & Pensions

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<sup>3</sup> *Id.*

<sup>4</sup> *Id.*