

**Opening Statement of Ranking Member Mark DeSaulnier (CA-10)**

Subcommittee on Health, Employment, Labor, and Pensions Hearing

*"Examining the Policies and Priorities of the Employee Benefits Security Administration"*

2175 Rayburn House Office Building

Thursday, June 27, 2024 | 10:00 a.m.

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Thank you, Mr. Chairman, and thank you, Ms. Gomez, for speaking with us today. I am happy that we are holding this hearing and taking a close look at the important work the Department of Labor is doing to protect the hard-earned benefits of workers, retirees, and their families.

The Employee Benefits Security Administration (or EBSA) oversees retirement, health care, and other employee benefit plans, which support the health and financial security of over 153 million Americans.

Yet despite EBSA's vital mission and its ever-growing responsibilities, it has consistently been underfunded by the majority. Since 2013, the number of staff hired through its base appropriation has declined by more than 25 percent, and, as a result, EBSA has increasingly relied on unpredictable supplemental appropriations to perform its basic operations.

Unfortunately, supplemental funding will also dry up soon when the bipartisan *No Surprises Act* implementation fund expires at the end of the year. This will cut EBSA's workforce by as much as 14 percent.

To add insult to injury, House Republicans have proposed to cut the agency's budget by an additional \$10 million in this year's Labor-HHS appropriations bill.

This is a crisis for workers, retirees, and their families. And it should not be a partisan issue. Cuts to EBSA undermine the bipartisan progress we have made in recent years through the *No Surprises Act*, the *SECURE Act*, the *SECURE 2.0 Act*, and so many other important laws.

I hope today's hearing will give us an opportunity to discuss the need to address these funding shortfalls while recognizing the incredible work that EBSA, under Ms. Gomez's leadership, has managed to accomplish with its limited resources.

You have all heard me discuss at length my history as both a union member and a business owner. I've seen both sides of employer-sponsored health care and retirement plans and the ways that they can make or break a workforce. EBSA does an enormous amount to protect and serve workers so that they and their families can have security and stability.

In the past few years, EBSA has made great strides in protecting benefits and putting money back in the pockets of working Americans. Last year alone, EBSA recovered over \$1.4 billion in payments through enforcement activities, informal complaint resolutions, and other actions. The agency has also recovered \$6.7 billion in retirement savings for missing participants since 2017. And, every day, Americans get assistance from EBSA's Benefits Advisors, who help navigate complex issues with their plans.

EBSA is also taking critical steps through its regulatory efforts to make life better for the American people.

In April, the Department finalized the Retirement Security Rule, which will ensure consumers get financial advice free from conflicts of interest. Morningstar calculated that the rule “would save over \$55 billion in the first 10 years and over \$130 billion in the subsequent 10 years.”

EBSA is also working diligently to improve health coverage. Last fall’s proposed rule on mental health parity is a huge step forward in improving access to behavioral health care for millions of Americans. The agency has also worked to reverse harmful actions taken by the Trump Administration to expand “junk” health plans such as short-term, limited-duration insurance and association health plans.

There is still even more work to be done. In recent weeks, for example, Ranking Member Scott and I have encouraged EBSA to take steps to improve transparency in claims denials and collaborate on ways to improve parity in long-term disability plans.

However, to ensure that EBSA is equipped to move forward on these and other priorities, including many bipartisan ones, we must all commit to giving the agency the tools and resources it needs to do its job.

Thank you, Mr. Chairman. I look forward to a productive discussion of these issues. I yield back.