



**Opening Statement of Rep. Kevin Kiley (R-CA), Chairman
Subcommittee on Workforce Protections**

**Hearing: “Examining the Policies and Priorities of the Wage and Hour Division”
February 14, 2024**

(As prepared for delivery)

The Committee convenes today to execute its constitutional responsibility to provide oversight of the executive branch. Upon taking the oath of office, President Biden pledged his administration to the “highest standards of transparency.” We plan to hold him to his word.

However, Ms. Looman, one glaring constitutional anomaly at your department, the Department of Labor (DOL), must first be addressed. After 337 days, the person purporting to lead the Department, Acting Secretary Julie Su, remains an unconfirmed secretary. This has created an embarrassment to your Department and a crisis of legitimacy with respect to every rule and regulation it churns out.

It is an insult to Members of the United States Senate who carefully considered Ms. Su’s nomination for months, who met countless times with Ms. Su and administration officials, who were on the receiving end of a “war room” set up by the Biden administration – only to be told it was all play-acting. That the administration could care less what the Senate thinks or what the Constitution requires. That the president was going to simply install his preferred secretary without the inconvenience of a vote, even if it happened to be the least qualified person in the world for the position.

On April 26, 2023, I, along with House leadership, called on President Biden to abandon his failed nominee.

On July 21, 2023, unconfirmed Acting Secretary Su set a record for time spent in Senate purgatory. She became the longest stalled nominee ever while her party controlled the Senate and White House.

On January 4th of this year, I wrote a letter with Chairwoman Foxx making a common sense request to the president: that Ms. Su not be renominated to a position for which she had already been rejected.

Unfortunately, four short days later, she was.

Unconfirmed Acting Secretary Julie Su has nearly tripled the old record for a stalled nominee. Her presence at the helm of Labor refutes any notion that the president planned on running a transparent administration.

Today, I am once again calling on President Biden to remove unconfirmed Acting Secretary Su from her post. Each day her dubious tenure lasts is another day the American people are denied a legitimate leader of a massive taxpayer-funded department, and are denied a secretary who is actually on the side of American workers.

There is a reason Ms. Su faced bipartisan opposition in the Senate: not only did her mismanagement in California cost taxpayers \$31 billion, but her regulatory agenda is the most anti-worker set of policies in modern American history.

Which brings us to today. The rules and regulations passed down over the past year by DOL's Wage and Hour Division (WHD) will be extremely harmful to American workers, job creators, and small businesses.

The California-inspired independent contractor rule will deprive freelancers across the country of their livelihoods. In California, we saw journalists, writers, electricians, and countless workers in over 600 professions lose their careers because of AB 5, which President Biden has cited as his model. The law was so damaging that the state legislature exempted 109 categories of workers from it. Effective March 11th, thanks to your and Ms. Su's new rule, millions of independent contractors across America could lose their livelihoods, and tens of millions more will be forced into working arrangement they do not desire.

I will be introducing a resolution of disapproval under the *Congressional Review Act* to nullify this harmful rule and stop DOL from this nationwide attack on the American workforce.

I am also greatly concerned with WHD's proposed overtime rule, which will be especially costly for non-profits and small businesses. The rule will force businesses

to cut hours, let go of workers, and divert resources to compliance while costing the economy \$19 billion.

These aren't the only two concerning regulations coming out of WHD. What's more, the President's Fiscal Year 2024 budget request includes \$341 million for WHD, a nearly 31 percent increase to carry out its agenda.

Ms. Looman, right now consumer sentiment resembles about what it did during the Great Recession. Gas prices and grocery prices have shot up during this administration, while real wages have gone down. We need to be encouraging economic growth, supporting workers, and empowering job creators, yet your division's agenda appears to have precisely the opposite objectives.

Therefore, I urge you to withdraw the proposed overtime rule, stop the final independent contractor rule before it takes effect, and rethink any regulation that negatively impacts American workers, job creators, and small businesses.