



**Opening Statement of Rep. Bob Good (R-VA), Chairman
Subcommittee on Health, Employment, Labor, and Pensions Hearing:
“Examining the Policies and Priorities of the Employee Benefits Security
Administration”
June 27, 2024**

(As prepared for delivery)

Thank you to my fellow Subcommittee members for coming together to examine the policies and priorities of the Employee Benefits Security Administration (EBSA) under the leadership of Assistant Secretary Lisa Gomez.

EBSA is responsible for regulating employer-provided benefit plans subject to the *Employee Retirement Income Security Act of 1974* (ERISA). This duty includes the oversight of millions of retirement and health benefit plans holding approximately \$13.6 trillion in assets. It’s safe to say, Ms. Gomez, that with the financial security of around half of America in your hands, you are one of Washington’s most important bureaucrats.

And that’s why I’m disappointed with the current direction of EBSA under your leadership, which is fraught with regulatory excess and mismanagement. Since you assumed office in October of 2022, EBSA has pursued senseless, costly regulations at the expense of American taxpayers and plan beneficiaries.

Take, for instance, the fiduciary rule. The definition of the word “fiduciary” is foundational to ERISA, and plan sponsors are heavily reliant on its consistent application. However, EBSA recently revived a failed, overbroad definition of fiduciary that was vacated years ago in a federal appellate court and that will decrease access to important retirement products for lower- and middle-income Americans.

In health care, EBSA overregulation is also reducing options. The rollback of the previous administration's Association Health Plan rule will decrease access to quality coverage. The previous rule produced savings of up to 29 percent on average—progress that your agency has now erased.

These regulations have saddled the American worker with higher costs, fewer benefits, and less flexibility.

In addition, the Biden administration has used EBSA to promote their woke agenda. In December 2022, EBSA issued a regulation to allow retirement plans to consider ESG factors when investing and exercising proxy votes, even if those factors have zero financial impact on the value of the investment for the plan.

Investing in suboptimal ways—that is, based on environmental or social factors without a financial basis for those decisions—violates the sacred fiduciary duty that institutional investors have towards retirees and their hard-earned savings.

The truth is that ESG investment principles are woke and anti-American. It seems to me that this regulation serves as an excuse for companies to virtue-signal to the far-left, rather than focus on risk and returns for beneficiaries.

There are costs to EBSA's misguided policies and resources, and the agency is failing to implement the law.

Execution of the *No Surprises Act* has been a challenge to say the least. EBSA investigations are stalled, sometimes as long as, or even longer than, four years. We are no closer to expanded telehealth coverage, even as benefits have lapsed. ERISA preemption, the very framework that establishes and empowers EBSA, is under siege.

Today, we not only address our concerns with EBSA, but we must also discuss ways to better safeguard Americans' benefit plans. All Americans deserve a future in which benefit options are abundant, affordable, and high quality.