

Statement of Preston Rutledge
Nominee for Assistant Secretary of Labor
Employee Benefits Security Administration
Before the Committee on Health, Education, Labor and Pensions

November 15, 2017

Good afternoon Chairman Alexander, Ranking Member Murray and other members of the Committee. Thank you for the opportunity to appear before you today. I am honored to have been nominated to lead the Employee Benefits Security Administration (EBSA) at the Department of Labor.

The mission of EBSA is to assure the security of the retirement, health and other workplace related benefits of America's workers and their families. While EBSA develops and enforces regulations, the role of EBSA is much broader. The office assists and educates workers, plan sponsors, fiduciaries and service providers. It engages in outreach and research.

I have spent nearly my entire career as a lawyer in the employee benefits area. I believe in the importance of employee benefit programs to America's workers. And if I am fortunate enough to be confirmed, I look forward to working to strengthen and expand opportunities for employers to offer and employees to benefit from retirement, health and other employee benefit programs.

I have had the pleasure to work with many of you during my tenure at the Senate Finance Committee as we have worked to advance retirement and benefits security

reforms. I am most proud that we were able to work together to develop the Retirement Enhancement and Savings Act of 2016. The bill would have modified requirements regarding multiple employer plans, automatic enrollment, auto escalation, reporting and disclosure rules, defined benefit plan nondiscrimination rules and rules regarding the selection of lifetime income providers. The bill also would have increased the tax credit for small employer pension plan startup costs and allow a tax credit for small employers that establish retirement plans that include automatic enrollment. With respect to individual retirement accounts, the bill would have treated taxable non-tuition fellowship and stipend payments as compensation for the purpose of an IRA. The bill garnered the support of every member of the Finance Committee and for me was a great example of Chairman Hatch's and Ranking Member Wyden's leadership and our ability to work together on a bipartisan basis to improve retirement security.

In addition to retirement policy, I have worked closely with staff from both parties, including the staff of two members of this committee, Senator Burr and Senator Casey, to help Congress enact the Achieving a Better Life Experience Act of 2014. The ABLE Act allows disabled individuals and their families save private funds in a tax-advantaged account, similar to a college savings account, for the purpose of paying for expenses related to living a life with disabilities. If confirmed, I look forward to working with the Chairman and the members of this Committee on these and other proposals to strengthen our nation's pension laws.

Prior to joining the Finance Committee I served in the Office of Chief Counsel for the Internal Revenue Service where I focused on tax side issues of employee benefits, plan

design and administration, and compliance. I also served for many years in private practice where I was engaged in compliance and plan design as well as ERISA litigation. And before I became a lawyer, I was a Naval Officer for four years, served on a destroyer escort stationed in San Diego, California, making one deployment to the Western Pacific.

I hope to bring my public and private sector experience to EBSA to help Secretary Acosta help workers and employers meet the challenges inherent in our changing society – including improved longevity and changing employment relationships.

If I am given the opportunity to serve, I look forward to working with you, your staff, the talented and hardworking staff at EBSA, employees, plan sponsors and the public at large to protect and improve our nation's employee benefit system.

Thank you Mr. Chairman and Ranking Member Murray for the chance to speak with you today. I am happy to answer any questions.