

April 9, 2025

The Honorable Michael Rulli
421 Cannon House Office Building
Washington, DC 20515

Congressman Rulli:

On behalf of The ERISA Industry Committee (ERIC), thank for you for introducing legislation bringing transparency to the coordination between the U.S. Department of Labor (DOL) and the plaintiffs' bar. Since it came to light last year that the DOL collaborates with plaintiffs' attorneys through the use of "common interest agreements," employee benefit plan sponsors have sought to better understand the prevalence and scope of these agreements. Our primary concerns are the negative consequences for health and retirement plans governed by the *Employee Retirement Income Security Act of 1974*, as amended (ERISA), and the tens of millions of plan participants who ultimately bear the costs of the proliferation of ERISA litigation.

By way of background, ERIC is a national advocacy organization exclusively representing the largest employers in the United States in their capacity as sponsors of employee benefit plans for their nationwide workforces. With member companies that are leaders in every economic sector, ERIC is the voice of large employer plan sponsors on federal, state, and local public policies impacting their ability to sponsor benefit plans. ERIC member companies offer benefits to millions of employees and their families, located in every state, city, and Congressional district. ERIC member companies sponsor health and retirement plans governed by ERISA and other laws and regulations overseen by the Employee Benefits Security Administration (EBSA), a subagency of the Department of Labor.

Unfortunately, the specter of frivolous and voluminous litigation poses a significant threat to the health of the voluntary employee benefits system. Too often, plan sponsors face expensive lawsuits no matter what reasonable course of action they take. These lawsuits can cost hundreds of thousands, even millions of dollars to defend, even if the claim ultimately is dismissed. Plan participants ultimately bear those costs. If EBSA is determined to provide information to attorneys suing benefits plans, then surely it is reasonable that the scope of this cooperation should be documented and transparent to any employer or plan fiduciary that might be adversely impacted. Furthermore, Congress has a legitimate oversight interest in understanding exactly the scope of EBSA's activities. Finally, we wholeheartedly endorse the "finding" in Section 2 of this bill, articulating that ERISA is designed to "promote, encourage, and facilitate the voluntary establishment and maintenance of, and contribution to" pension plans. EBSA's activities should always be consistent with this framework.

We look forward to working with you on this legislation and on other measures to improve the administration of the laws governing employee benefits.

Respectfully,



James P. Gelfand
President and CEO