

# PUBLIC SUBMISSION

**Received:** September 24, 2020  
**Tracking No.** 1k4-9j4y-eybh  
**Comments Due:** October 05, 2020  
**Submission Type:** API

**Docket:** EBSA-2020-0008  
Fiduciary Duties Regarding Proxy Voting and Shareholder Rights

**Comment On:** EBSA-2020-0008-0001  
Fiduciary Duties Regarding Proxy Voting and Shareholder Rights

**Document:** EBSA-2020-0008-DRAFT-0025  
Comment on FR Doc # 2020-19472

---

## Submitter Information

**Name:** Miller Hudson  
**Organization:** N/A

---

## General Comment

Mr. Eugene Scalia  
U.S. Department of Labor  
200 Constitution Ave., N.W.  
Washington, DC 20210

Rule Number: RIN 1210-AB91

Dear Secretary Scalia:

The Department of Labor has made marked and praiseworthy adjustments to protect the financial well-being of pensioners and the integrity of plan managers under your direction. Earlier this year the Department worked to curb ESG (environmental, social, and governance) investing through ERISA. This goes a long way to insulate investors from being subjected to decisions that do not explicitly prioritize maximizing returns. I previously served in the Colorado legislature and as the Executive Director of the Colorado Association of Public Employees. With this background, I care deeply about this proposed rule and the positive benefits it will have on pension beneficiaries. I filed comments in support of the changes that you have adopted.

I am encouraged to see the Department working similarly to ensure pensioners have better control over their investment decisions and representation in proxy voting scenarios, which have become a larger by-product of investor pressure and activism campaigns. In short, I believe the

Department must make clear through RIN 1210-AB91 that fiduciary planners and managers have a duty to abstain if said manager cannot clearly show that casting votes would benefit investors financially.

Further, the more the Department can do to clarify the fiduciary duties of pension plan managers the better. Millions of Americans rely on pension plans (and their returns) to build a reliable financial base for retirement. Any mismanagement of these funds is a disservice to the investors and undermines the integrity of our nations pension system.

It makes little sense to me that plan managers enjoy the wiggle room to vote on behalf of investors in shareholder matters that offer no positive economic impact or benefit. Shareholder voting is at times an effective means to encourage better corporate behavior that, in turn, will create financial value for an investor. There is little purpose or necessity if participation is unrelated to financial considerations. For these reasons I support the Departments proposed rule to protect investors and curb needless proxy voting exercises.

Additionally, the Department can strengthen the proposed rule by adding provisions to place restrictions on robo-voting practices. Too frequently robo-voting is permitted without proper scrutiny and due diligence by fund managers adhering to the direction of proxy advisors. While the impacts on performance may vary, allowing robo-voting practices to replace careful analysis is at odds with other directives from the Department to assure that investors are informed at each step and clearly signals planners that fiduciary performance always must come first. Robo-voting is dangerous for pensioners because it places key decisions behind a curtain where special pleading for non-pecuniary goals may be prioritized.

In the interest of protecting American retirement plans countrywide I hope you will consider my previous comments and finalize and adopt the proposed proxy voting rule with language curtailing robo-voting practices.

Respectfully,

Miller Hudson  
1648 Saint Paul St.  
Denver, CO 80206

9/24/20