



October 5, 2020

Jeanne Klinefelter Wilson
Acting Assistant Secretary
Employee Benefits Security Administration
United States Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

Re: Fiduciary Duties Regarding Proxy Voting and Shareholder Rights
(RIN 1210-AB91)

Dear Acting Assistant Secretary Wilson:

My name is Mark Riker, I am the Executive Secretary of the Washington State Building and Construction Trades Council representing approximately 80,000 construction workers in Washington State.

Many of our affiliated member unions are sponsors of Taft-Hartley, 401-K and other Employee Retirement Income Security Act of 1974 as amended (ERISA) pension plans. Many of these plans have engaged in shareholder dialogue with companies the intention of encouraging creation of long-term shareholder value for the benefit of plan participants and beneficiaries and many of these plans have made arrangements for plan fiduciaries to exercise voting rights appurtenant to securities owned by their plans.

The purpose of this letter is to share our views on the rule proposed by DOL related to fiduciaries' duties in the context of proxy voting and shareholder rights (Proposed Rule) under Title I of ERISA. The WSBCTC believes the Proposed Rule shows an unjustified prejudice against fiduciaries' exercise of shareholder rights and would impose obligations and liabilities on fiduciaries of ERISA plans that would effectively disenfranchise them. We believe such disenfranchisement would have adverse consequences for our members' plans, the companies in which they have been invested, and investors at large. We also believe that any ERISA plan's adoption of the Proposed Rule's "safe harbors" could expose plan fiduciaries to unnecessary legal liability that they could avoid if permitted to maintain current practices under existing sub-regulatory guidance. We believe that the DOL has failed to recognize the beneficial effects of shareholder engagement and that implementation of the Proposed Rule would curtail future benefits of such engagement to the extent it is successful in extinguishing the process of shareholder engagement by ERISA plans.

We oppose the Proposed Rule and respectfully request that DOL should withdraw the Proposed Rule and reinstate the current guidance contained in Interpretive Bulletin 2016-01. Failing that, the DOL should withdraw the Proposed Rule until it has corrected the deficiencies we describe in this letter, after which it should propose a new rule and provide sufficient comment period on that rule including a public hearing and post-hearing comment period.

With respect to the details of the Proposed Rule the WSBCTC strongly agrees with and wishes to incorporate by reference, the comments contained in the letter dated October 5, 2020 by Michael Scott Executive Director at the National Coordinating Committee for Multiemployer Plans (NCCMP).

Sincerely,



Mark L. Riker, Executive Secretary
Washington State Building & Construction Trades Council

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