

**U.S. Department of Labor
Employee Benefits Security
Administration**



November 2020

TABLE OF CONTENTS

TAB 1: AGENCY ORGANIZATIONAL OVERVIEW	1
TAB 2: STATE OF PLAY	5
TAB 3: CALENDAR	15
TAB 4: BUDGET	19
TAB 5: AGENCY PERFORMANCE	23

TAB 1: AGENCY ORGANIZATIONAL OVERVIEW

Mission

The [mission](#)¹ of the Employee Benefits Security Administration (EBSA) is to assure the security of the retirement, health, and other workplace-related benefits of America’s workers and their families.

Authorizing Legislation

EBSA is responsible for the administration, regulation, and enforcement of [Title I of the Employee Retirement Income Security Act of 1974 \(ERISA\)](#),² Pub. L. 93–406, 88 Stat. 832, 29 U.S.C. § 1001 et seq. Additionally, the agency is responsible for administering provisions of law governing fiduciary conduct for the Thrift Savings Plan (TSP) under the Federal Employees’ Retirement System Act of 1986 (FERSA), Pub. L. 99-335, 100 Stat. 514, 5 U.S.C. § 8401 et seq.

Organizational Structure

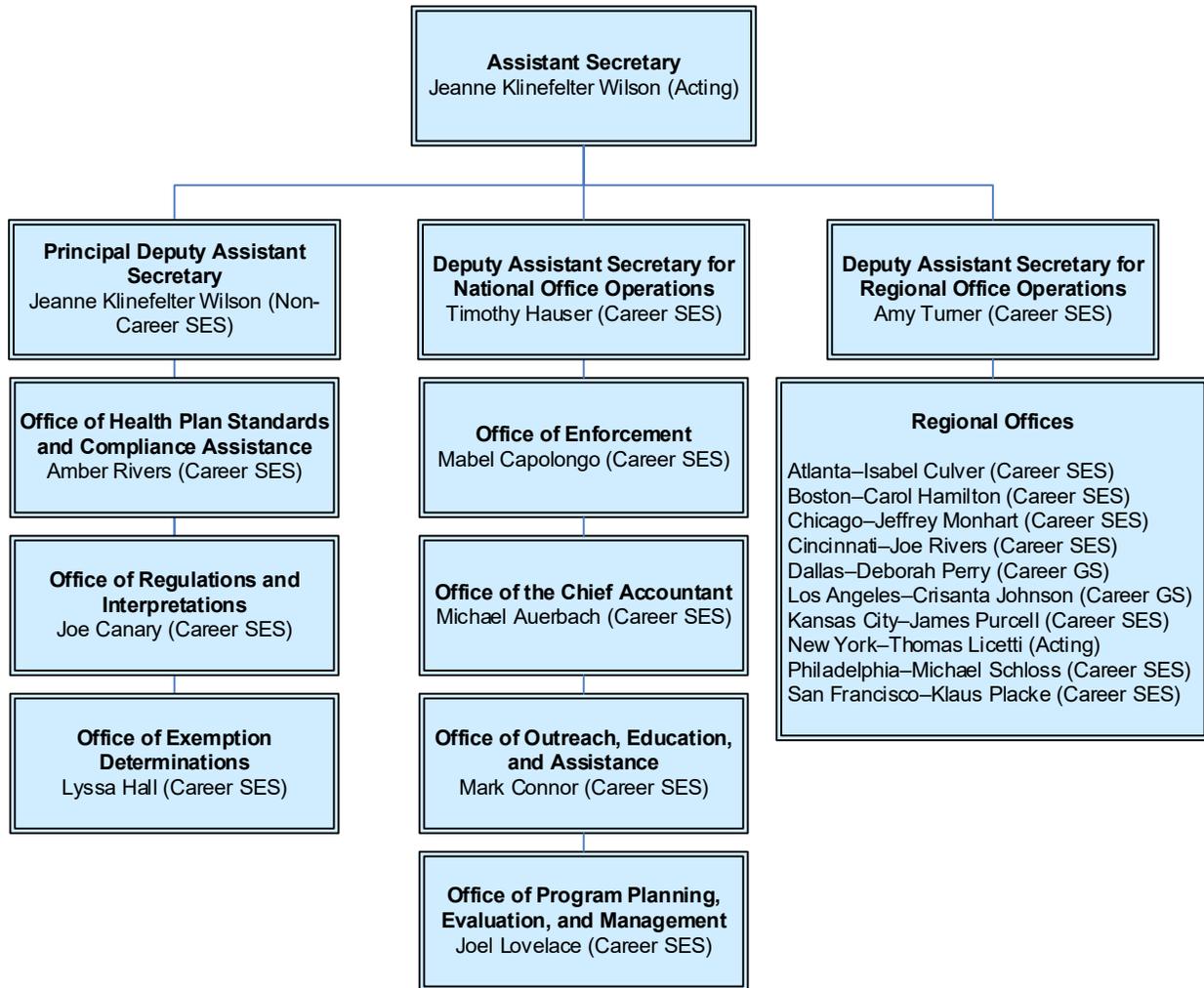
EBSA is committed to promoting policies that encourage employers to offer benefits, empower individuals to make their own choices, and foster employee benefits security. The agency is also committed to helping workers and retirees understand their benefits and receive the benefits they have earned. Accordingly, EBSA employs a comprehensive, integrated approach encompassing programs for enforcement, compliance assistance, interpretive guidance, legislation, and research to promote and protect our nation’s employee benefits system. The Assistant Secretary, Principal Deputy Assistant Secretary (non-career), Deputy Assistant Secretary for National Office Operations (career), and Deputy Assistant Secretary for Regional Office Operations (career) work with and are supported by eight national offices, ten regional offices, and three district offices. EBSA’s FY 2020 end-of-year [onboard](#) staffing level is 847 FTE. The agency has two key vacancies at this time: the Assistant Secretary and one Regional Director. In FY 2021, assuming no increase in budget or policy changes, we will be able to afford between 805-810 FTEs due to mandatory increases, inflation, and pay raises.

¹ <https://www.dol.gov/agencies/ebsa/about-ebsa/about-us/mission-statement>.

² <https://www.dol.gov/agencies/ebsa/about-ebsa/about-us/history-of-ebsa-and-erisa>.

TAB 1: Agency Organizational Overview

Organizational Chart



Workforce At-A-Glance

**DEPARTMENT OF LABOR EMPLOYMENT *
AS OF 11/1/2020 - EBSA**

AGENCY			
Subagency	National Office	Regional Office	Total
EBSA	205	622	827
Total	205	622	827
RACE & GENDER			
Ethnicity	F	M	Total
American Indian	1	3	4
Asian	43	27	70
Black	101	50	151
Hispanic	52	40	92
Two or more Races	6	2	8
White	257	245	502
Total	460	367	827

BARGAINING UNIT	
Local 12	133
NCFL	494
Non-BU	200
SUPERVISORY**	
Non Supervisor	704
Supervisor	123
WORK SCHEDULE	
F-Full Time	798
I-Intermittent	16
P-Part Time	13
REGIONS	
1 Boston	55
2 New York	60
3 Philadelphia	68
4 Atlanta	131
5 Chicago	54
6 Dallas	62
7 Kansas City	69
8 Denver	1
9 San Francisco	96
10 Seattle	26
Natl Ofc	205
Total	827

GRADE DISTRIBUTION	
00	33
04	2
05	4
06	25
07	14
09	33
11	43
12	235
13	242
14	155
15	41
Total	827
DISABLED STATUS	
No Disability	701
Non-targeted	100
Targeted	26
APPOINTMENT TENURE	
Indefinite	15
Permanent	805
Temporary	7
RETIREMENT ELIGIBILITY	
Early Out	114
Eligible	125
Not Eligible	588

METRO D.C. AREA EMPLOYEES BY BUILDING		
FRANCES PERKINS BLDG	205	
Total	205	
Includes regional employees working in the D.C. area		
GRADE 13 & ABOVE		
Ethnicity	F	M
American Indian	1	2
Asian	28	17
Black	33	16
Hispanic	24	17
Two or more Races	2	1
White	160	154

* Permanent and Temporary Employees
** Supervisor count includes manager levels 2 and 4

Organizational Changes During the Past Four Years

EBSA has undergone several organizational changes during the past four years. First, the agency changed the title of the Deputy Assistant Secretary for Policy to Principal Deputy Assistant Secretary. The position of Assistant Secretary is Presidentially-appointed and Senate-confirmed (PAS), and under the Federal Vacancies Reform Act of 1998 (FVRA), the Principal Deputy Assistant Secretary, a non-career position, is the First Assistant to the Assistant Secretary. Second, in October 2019, EBSA established a new SES position, Deputy Assistant Secretary for Regional Office Operations (DASRO). All regional offices, which previously reported to the

Deputy Assistant Secretary for Program Operations (DASPO, renamed the Deputy Assistant Secretary for National Office Operations (DASNO)), now report to the DASRO. In addition, the regulatory offices (Office of Health Plan Standards and Compliance Assistance, Office of Exemption Determinations, and Office of Regulations and Interpretations), which previously reported to DASPO, were realigned to report to the Principal Deputy Assistant Secretary.

In July 2020, to allow for greater organizational efficiency and effectiveness of service delivery, the individual departments within the Office of Policy and Research (OPR) were integrated within the EBSA Offices that they serve. OPR's three constituent divisions were integrated into the Office of Enforcement, the Office of Regulations and Interpretations, and the Office of Outreach, Education, and Assistance. Finally, in October 2020, the Office of Technology and Information Services was transferred to the Office of the Chief Information Officer in accordance with the Department's Shared Services initiative.

Key Leaders

National Office

- **Jeanne Klinefelter Wilson**, Acting Assistant Secretary
- **Jeanne Klinefelter Wilson**, Principal Deputy Assistant Secretary
- **Timothy Hauser**, Deputy Assistant Secretary for National Office Operations
- **Amy Turner**, Deputy Assistant Secretary for Regional Office Operations
- **Lyssa Hall**, Director, Office of Exemption Determinations
- **Mabel Capolongo**, Director, Office of Enforcement
- **Amber Rivers**, Director, Office of Health Plan Standards and Compliance Assistance
- **Joe Canary**, Director, Office of Regulations and Interpretations
- **Michael Auerbach**, Chief Accountant
- **Mark Connor**, Director, Office of Outreach, Education, and Assistance
- **Joel Lovelace**, Director, Office of Program Planning, Evaluation and Management

Regional Offices

- **Isabel Culver**, Director, Atlanta Regional Office
 - This region includes the Miami District Office
- **Carol Hamilton**, Director, Boston Regional Office
- **Jeffrey Monhart**, Director, Chicago Regional Office
- **Joe Rivers**, Director, Cincinnati Regional Office
- **Deborah Perry**, Director, Dallas Regional Office
- **James Purcell**, Director, Kansas City Regional Office
- **Crisanta Johnson**, Director, Los Angeles Regional Office
- **Thomas Licetti**, Acting Director, New York Regional Office
- **Michael Schloss**, Director, Philadelphia Regional Office
 - This region includes the Washington, D.C. District Office
- **Klaus Placke**, Director, San Francisco Regional Office
 - This region includes the Seattle District Office

TAB 2: STATE OF PLAY

Key Meetings, Decisions and Announcements

By end of December 2020

- Pension Benefit Guaranty Corporation (PBGC) Board Meetings. The PBGC Board of Directors is made up of the Secretary of Labor, who is the Chair, the Secretary of the Treasury, and the Secretary of Commerce. The Secretary of Labor has traditionally designated EBSA's Assistant Secretary of Labor as the Board Representative. The Board is responsible for establishing and overseeing policies of the PGBC. The Moving Ahead for Progress in the 21st Century Act (MAP-21) requires the Board to meet a minimum of four times per year and for the minutes of the meeting to be made public. Traditionally, the Secretary of Labor calls a meeting for the first quarter of the fiscal year before December 31.

By end of January 2021

- EBSA will transmit the 2020 ERISA Advisory Council reports, along with its response, to the Secretary. Shortly thereafter, the reports will be transmitted to the Library of Congress and posted on the EBSA website.

Other Programmatic Issues of Note

- Federal Retirement Thrift Investment Board Appointments. The Board consists of five members appointed by the President. Four members are currently serving on "expired" terms; the fifth (who was also on an expired term) recently resigned. Current members are as follows:
 - Dana Bilyeu: confirmed on November 18, 2011, for a term expiring October 11, 2015
 - William Jasien: confirmed on June 27, 2013, for a term expiring October 11, 2015
 - Ronald McCray: confirmed on November 18, 2011, for a term expiring September 25, 2016
 - David Jones: confirmed on March 27, 2015, for a term expiring October 11, 2018

President Trump nominated three members to the Board in May 2020, but Senate confirmation is still pending.

EBSA has ongoing concerns about the IT security of the Thrift Plan's systems. While the Plan has made progress, the agency's issues are far from resolved and will likely require considerable ongoing attention from EBSA and its audit program during the transition period. EBSA has increased pressure on the Thrift Plan to take quick action to remediate current security shortfalls, as well as to design and implement long-term system changes. As a result of EBSA's work, the TSP has replaced three senior management officials (including the Executive Director and senior IT personnel), remedied a number of glaring deficiencies, and engaged in a "security sprint" which required expedited work on IT issues and biweekly in-person meetings with EBSA to

verify and ensure progress and performed a series of “penetration tests” to identify continuing cybersecurity weaknesses. However, critical issues remain.

- Joint Board for the Enrollment of Actuaries (JBEA or Joint Board). The Joint Board, established under section 3041 of ERISA, is responsible for the enrollment of individuals who perform actuarial services for certain ERISA plans. The Joint Board consists of three members (and one alternate) appointed by the Secretary of the Treasury and two members (and one alternate) appointed by the Secretary of Labor. The PBGC also appoints one non-voting representative to the Joint Board. The Secretary of Labor historically has appointed EBSA career staff to serve as the DOL representatives on the JBEA. The current EBSA appointees are in the midst of serving three-year appointments.
- JBEA Advisory Committee. To assist in its examination duties mandated by ERISA, the Joint Board established the Advisory Committee on Actuarial Examinations (the Advisory Committee). The Advisory Committee reports to the Chair of the Joint Board. None of the members of the Advisory Committee are federal employees—all are treated as Special Government Employees. The Designated Federal Officer (DFO) under the Federal Advisory Committee Act (FACA) of the JBEA Advisory Committee is an Internal Revenue Service employee in the Return Preparer Office. Travel expenses of Advisory Committee members are paid by the Labor Department (through an Interagency Agreement with IRS).
- Social Security and Medicare Trustees Reports. The Board of Trustees of the Social Security and Medicare Trust Funds is composed of the Secretary of the Treasury, who is the Managing Trustee; the Secretary of Labor; the Secretary of Health and Human Services (HHS); the Commissioner of Social Security; and two public representatives appointed by the President and confirmed by the Senate. The Social Security Act specifies that the reports are to be released by April 1 of each year; however, that deadline has not been met in recent years.
- Multiemployer Pension Reform Act of 2014 (MPRA) Consultation. MPRA allows certain distressed multiemployer plans to apply to Treasury to suspend or cut participant benefits, including those of retirees in pay status. Treasury has jurisdiction over the benefit cut provisions in consultation with PBGC and DOL. Once an application is approved, participants have an opportunity to vote on whether to approve or deny the benefit suspensions. Following the vote, Treasury, in consultation with DOL and PBGC, must certify the results.

Policy and Regulatory Issues

Background

In the decades since the enactment of ERISA in 1974, there has been a dramatic shift in the retirement savings marketplace from employer-sponsored defined benefit plans to participant-directed 401(k) plans. This shift is coupled with the widespread growth in assets in IRAs. Also, one-third of American private-sector workers do not have access to a retirement savings plan through their employers. Workers without access to an employer-sponsored plan at work rarely

save for retirement: fewer than 10 percent of workers without access to a workplace plan contribute to a retirement savings account on their own. EBSA has an active regulatory agenda, including initiatives relating to fiduciary advice; environmental, social, and governance (ESG) investing; proxy voting; pooled plan providers; and lifetime income that is designed to fulfill its mission to protect, educate, and empower retirement savers as they face important choices in saving and investing for retirement in their IRAs and employee benefit plans. EBSA's regulatory initiatives also help promote expanded retirement plan coverage and additional savings opportunities.

Multiemployer Insolvencies

Multiemployer defined benefit plans provide retirement security to more than 10 million participants and their beneficiaries through 1,400 plans. Tens of thousands of employers, including many small businesses, provide lifetime retirement benefits for their employees by participating in multiemployer pension plans. According to the PBGC, more than 100 plans covering more than 1 million participants will face insolvency over the next 20 years. The FY 2018 Projections Report, which the PBGC issued on August 6, 2019, shows that the PBGC multiemployer fund is 99 percent likely to be insolvent in FY 2025 and 100 percent likely to be insolvent in FY 2026.

Health and Welfare Plans

EBSA is responsible for employer-sponsored health and other welfare plans, in addition to retirement plans. In the health and welfare plan context, workers rely on the promises made by their employers and employee benefit plans to provide health insurance and other welfare benefits (such as disability, accident, unemployment, life insurance, and apprenticeship and training benefits). For example, workers participating in their employer's group health plans expect to be covered by health insurance in the event of sickness or accident and their health claims to be paid appropriately. If an employer withholds premiums from workers' paychecks, but fails to forward the premiums to the insurance company, workers may suffer significant financial harm due to unpaid medical bills. Parts 6 and 7 of ERISA contain health coverage minimum protection provisions, including Consolidated Omnibus Budget Reconciliation Act (COBRA) continuation coverage provisions, Health Insurance Portability and Accountability Act of 1996 (HIPAA) protections, the Mental Health Parity and Addiction Equity Act (MHPAEA), the 21st Century Cures Act, the Newborns' and Mothers' Health Protection Act, the Women's Health and Cancer Rights Act (WHCRA), the Genetic Information Nondiscrimination Act (GINA), the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA), and ACA group market protections (e.g., coverage without preexisting condition exclusions and dependent coverage to age 26). Many of these regulations are joint rulemakings with HHS and Treasury.

Regulatory Work

Over the course of this Administration, EBSA's regulatory and policy work has generally fallen into three major thematic buckets: (1) expanding access to benefits (regulations on short-term limited duration insurance, health reimbursement arrangements, association health plans, association retirement plans, and pooled plan providers); (2) reducing regulatory burdens (regulations on moral and religious exemptions to preventive services coverage, electronic filing of apprenticeship and training plans and top hat plans, and default electronic disclosure); and (3)

reiterating fiduciary obligations (regulations on fiduciary status, proposal on the use of ESG factors in selecting investments, and the proposal on the use of proxy advising firms). EBSA's 2018 final rule on Association Health Plans established broader criteria for determining when employers may band together in a group or association for the purpose of offering health coverage to their employees under a single ERISA-covered plan sponsored by that group or association. Twelve State Attorneys General challenged the rule, and on March 28, 2019, Judge Bates of the District Court in D.C. found that the rule was unlawful. The Government has appealed the district court's opinion and a decision is pending.

Enforcement

In carrying out its enforcement responsibilities, EBSA uses a variety of different approaches to ensure employee benefits are protected, including national/regional enforcement priorities and projects, voluntary compliance programs, civil and criminal litigation, and research-based analysis. EBSA regularly works in coordination with other federal and state enforcement agencies, including the Department's Office of Inspector General, the Securities and Exchange Commission (SEC), the Office of the Comptroller of the Currency (OCC), the Consumer Financial Protection Bureau (CFPB), PBGC, HHS, IRS, DOJ, the federal banking agencies, state insurance commissioners, and state attorneys general.

Protecting workers' benefits is the cornerstone of EBSA's work. The primary objectives of EBSA's enforcement program are to remedy the harm caused by fiduciary violations by recovering losses and compelling disgorgement of unjust profits, deter future wrongdoing, and promote greater legal compliance. EBSA accomplishes these goals through its conduct of civil and criminal investigations. In allocating its scarce resources, the agency gives special attention to National Enforcement Projects, Major Cases (large cases that are focused on having the greatest positive impact on benefits security), employee contribution cases, voluntary compliance programs, and the Abandoned Plan Program (APP).

The five National Enforcement Projects for FY 2021 are as follows:

- The Contributory Plans Criminal Project (CPCP): CPCP investigations focus on potential criminal violations, primarily through leads referred by benefits advisors and/or the agency's civil program. The CPCP covers both retirement and health plans. The project encompasses a range of criminal actors including employers, third-party administrators (TPAs), plan administrators, and employees. The CPCP targets crimes against contributory plans such as embezzlement, criminal fraud, and identity theft. During an economic downturn, 401(k) plans and health plans become targets for criminal activity. The CPCP gets its leads for these cases primarily directly from participant complaints or through the civil Employee Contributions Initiative, which focuses on missing and delinquent contributions to contributory pension and health plans.
- Health Enforcement Initiatives: Since FY 2012, EBSA has sponsored a national project focused on group health plans and their service providers, and sought to obtain monetary recoveries and global corrections of problematic practices or plan terms that violate ERISA. EBSA has ten regional Senior Advisors-Health Investigations (SAHI) positions and a national Division of Health Investigations. The SAHIs specialize in health issues

and coordinate the agency's health enforcement work at both the regional and national levels. In addition, economists, actuaries, and statistical contractors help EBSA analyze claims data and determine financial solvency in complex health investigations. EBSA is the only federal agency with a national enforcement structure in place that investigates plans for compliance with ERISA, including compliance with rules related to the group health insurance market such as ACA and MHPAEA. EBSA health investigations have identified recurring issues involving non-compliance with the claims regulation, improper denial notices, wrongful denials, inappropriate treatment limitations with respect to mental health and substance abuse disorders, wrongful denials of coverage for emergency room care, insolvent multiple employer welfare arrangements (MEWAs), and service provider self-dealing. In addition to pursuing a broad range of health claims under ERISA, EBSA intends to give special attention in FY 2021 to (1) examining provider reimbursement rates for mental health or substance abuse disorder (MH/SUD) providers; (2) examining network accuracy for MH/SUD providers; (3) autism treatment limitations, such as limitations on applied behavior analysis (ABA) therapy; and (4) violations of the Families First Coronavirus Response Act (FFCRA) and Coronavirus Aid, Relief and Economic Security Act (CARES Act).

- Employee Stock Ownership Plan (ESOP) Project: EBSA promotes compliance by focusing on the purchase or sale of stock in closely-held companies. The ESOP Project examines purchase or sale transactions not only for valuation issues, but also to ensure that the plan's fiduciaries conducted a prudent process for establishing the price and that they acted as loyal advocates for the plan in negotiating transaction terms.
- Plan Investment Conflicts (PIC) Project: The PIC Project examines (1) service providers' conflicts of interest in relation to plan asset vehicles; (2) investment advisers' and investment managers' discretionary decisions on behalf of client plans; (3) the prudence of plan fiduciaries with respect to selection and monitoring of plan investments, the selection of service providers, and reliance on valuations; and (4) service providers' indirect compensation arrangements and disclosures. Through the PIC Project, EBSA promotes prudent processes for investment selection, monitoring, and valuation; the prudent application of investment guidelines; and clear disclosure by service providers of direct and indirect compensation. Additionally, the project identifies and corrects violations involving fiduciary service provider self-dealing in investment and service fee arrangements. The project also seeks to correct prohibited transactions in which financial service companies use plan assets or investments for their own benefit, which may result in significant losses to participants and beneficiaries.
- Protecting Benefits Distribution (PBD) Project: Plan benefits may remain unpaid for years after payments were due because of fiduciaries' failure to protect participant interests. The PBD Project was created in FY 2018 to address such circumstances, and to ensure both that plan assets are protected and that participants receive the benefits they earned in the workplace. The Terminated Vested Participant (TVP) cases under this project has resulted in billions of dollars paid to eligible participants in the form of annuities and lump sum distributions.

In addition to the five enforcement projects above, EBSA has two enforcement priorities: the Major Case Enforcement Priority and the Employee Contributions Initiative. Under the Major Case Priority, EBSA focuses its enforcement resources on cases and issues that are likely to have the greatest impact on the protection of plan assets and participants' benefits by strategically dedicating more investigative resources on professional fiduciaries and service providers with responsibility for large amounts of plan assets or the administration of benefits for a large number of plan participants. Consistent with EBSA's history of protecting employee contributions to 401(k) plans, health plans, and other contributory plans, EBSA also has a national criminal enforcement priority aimed at the wrongful diversion of employee contributions by employers, a problem that is particularly prevalent in the small-plan universe.

EBSA has had considerable success protecting employee benefits through both civil and criminal enforcement actions. EBSA's enforcement efforts in both areas achieved total monetary results in FY 2020 of \$2.6 billion (an amount that does not include the recoveries obtained by EBSA's benefits advisors). Over the prior four fiscal years (2017-2020), EBSA's enforcement actions recovered more than \$6.40 billion for participants and beneficiaries. In addition, from FY 2017 through FY 2020, EBSA closed 1,080 criminal cases, and reported 401 indictments of individuals through criminal investigations.

EBSA's Benefits Advisors also provide assistance, education, and outreach to workers, retirees, and their employers. From FY 2009 through FY 2020, Benefits Advisors used informal complaint resolution to help more than 1,590,000 participants recover more than \$4.2 billion. Benefits Advisors also conducted more than 23,000 education, outreach, and compliance assistance events for more than 1,200,000 people.

Voluntary compliance programs are essential to EBSA's mission of safeguarding the security of pension and welfare benefits. Recognizing the need for a broad and formal pathway for plan officials to correct possible fiduciary breaches, the agency developed the Voluntary Fiduciary Correction Program (VFCP), which became effective on April 14, 2000, and the Delinquent Filer Voluntary Compliance Program (DFVCP), which became effective on April 27, 1995.

The VFCP describes 19 financial transactions that, based on EBSA's enforcement experience, may readily be self-identified and corrected by plan officials and their advisors without discussion with EBSA. Under the VFCP process, plan officials apply to EBSA field offices, which examine the applications and issue no-action letters if the applicant satisfies the conditions of the VFCP. In FY 2020, EBSA received 1,309 applications for the VFCP. These figures significantly understate the impact of the VFCP because many plan fiduciaries use the program's instructions for self-correction to fix problems without formally participating in the VFCP process.

Since the DFVCP's creation, tens of thousands of plans have participated in the program to correct failures to file or late filings of Forms 5500. Approximately 20,000 filings are submitted to the program each year, avoiding the Department's larger late and non-filer penalties and similar penalties from the IRS. To use the program, filers electronically file their Forms 5500 and submit reduced penalty payments to the Department. DFVCP penalties are based on the

plan size and number of filings, but are never more than \$4,000 per plan. In FY 2020, the DFVCP received 19,624 filings and \$13.9 million in penalty payments.

In addition to the DFVCP, EBSA also conducts a vigorous reporting compliance enforcement program, to ensure that required Form 5500 Annual reports are filed timely, accurately, and completely. In FY 2020, EBSA resolved more than 3,400 reporting compliance cases.

The APP facilitates the termination of, and distribution of benefits from, individual account pension plans that have been abandoned by their sponsoring employers. The program was established pursuant to three final regulations and a related class exemption and is administered by EBSA national and regional offices. The APP regulations establish a procedure for certain financial institutions holding the assets of abandoned individual account plans (QTAs) to terminate the plans and distribute benefits to participants and beneficiaries with limited liability. The APP regulations provide a fiduciary safe harbor for making distributions from terminated plans to participants and beneficiaries who fail to make an election regarding the form of benefit distribution and establish a simplified method of filing a terminal report for abandoned plans. Prohibited Transaction Exemption 2006-06 provides conditional relief from prohibited transaction restrictions for (1) a QTA that selects and pays itself to provide services in connection with the termination; (2) certain services rendered prior to becoming a QTA; (3) a QTA that selects and pays itself in connection with rollovers from abandoned plans to individual retirement plans maintained by the QTA; and (4) a QTA that pays itself investment fees as a result of the investment of the individual retirement plan's assets in a proprietary investment product. In FY 2020, EBSA received 1,161 applications from QTAs and closed 1,109 applications with terminations approved. In total, under the program, about 882 plans made distributions of approximately \$53.6 million directly to participants in FY 2020.

EBSA also has a greatly expanded need for complex economic and statistical enforcement support, as it focuses on Major Cases that involve complex transactions. IT innovations and expansion of available data and applications allow for the increased use of quantitative analysis, risk analysis, monitoring, and targeting. The agency's large and complex cases often involve data analysis and/or statistical sampling.

Key Agency Stakeholders

EBSA has a diverse stakeholder population that includes, for example, groups and organizations representing employers, labor organizations, employee benefit plans, plan participants and retirees, consumers, banks, insurers, broker-dealers, investment advisers, recordkeepers, and various other participants in the financial services industry. The following is a list of key stakeholder groups that will want to engage with the Secretary or other Administration officials.

- AARP is a nonprofit, nonpartisan, social welfare organization with a membership of nearly 38 million. AARP engages with EBSA on a range of issues of interest to its members, including issues relating to lifetime income, fiduciary advice, state retirement initiatives, Patient Protection and Affordable Care Act (ACA) implementation, wellness, e-disclosure, and other regulatory initiatives.

- The American Bankers Association (ABA) is a trade association representing the banking industry, with members composed of small, regional, and large banks. Many of the banks are service providers, providing trust, custody, routine deposit/cash management, and other services for institutional clients, including employee benefit plans covered by ERISA as well as individual retirement accounts (IRAs) and similar accounts that are covered by the Internal Revenue Code.
- American Benefits Council (ABC) is a national trade association for companies concerned about federal legislation and regulations affecting all aspects of the employee benefits system. The Council's members represent the entire spectrum of the private employee benefits community and either sponsor directly or administer retirement and health plans covering more than 100 million Americans. ABC engages with EBSA on a range of issues of interest to its members, including ACA implementation and employer responsibility, mental health parity, e-disclosure, employer reporting and disclosure requirements, and other regulatory initiatives.
- The American Council of Life Insurers (ACLI) is a Washington, D.C.-based trade association with approximately 280 member companies operating in the U.S. and abroad. The ACLI engages with EBSA on issues of interest to its members, including issues relating to life insurance, annuities, retirement plans, long-term care and disability income insurance, and reinsurance.
- American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) is the umbrella federation for U.S. unions, with 56 unions representing 12.5 million working men and women. It engages with EBSA on a range of issues of interest to its members, including multiemployer plans, modernization of the Form 5500, ACA implementation, proxy voting, and other regulatory initiatives.
- American Federation of State, County, and Municipal Employees (AFSCME) is the nation's largest and fastest growing public services employees union with more than 1.6 million working and retired members. It engages with EBSA on a range of issues of interest to its members, including ACA implementation, shareholder engagement, and other regulatory initiatives.
- The American Institute of Certified Public Accountants (AICPA) is the national, professional association of CPAs in the U.S. It sets ethical standards for the profession and U.S. auditing standards for audits of private companies; federal, state, and local governments; and non-profit organizations, including employee benefit plans.
- The American Retirement Association (ARA) is a national organization of more than 20,000 members who provide consulting and administrative services to retirement plans and IRAs. ARA members include financial advisers, consultants, administrators, actuaries, accountants, and attorneys. The ARA is the coordinating entity for four underlying affiliate organizations: the American Society of Pension Professionals and Actuaries (ASPPA), the National Association of Plan Advisors (NAPA), the National

Tax-deferred Savings Association (NTSA), and the ASPPA College of Pension Actuaries (ACOPA).

- America's Health Insurance Plans (AHIP) is the national trade association representing the health insurance and managed care community. AHIP's members provide health and supplemental benefits through employer-sponsored coverage, the individual insurance market, and public programs such as Medicare and Medicaid. It engages with EBSA on health care issues.
- The Business Roundtable is an association of chief executive officers of leading U.S. companies working to promote public policies through research and advocacy. It engages with EBSA on a range of issues of interest to its members, including ACA implementation and employer responsibility, mental health parity, e-disclosure, employer reporting and disclosure requirements, and other regulatory initiatives.
- Certified Financial Planner Board (CFP Board) is a non-profit organization whose mission is to benefit the public interest by fostering professional standards in personal financial planning by setting and enforcing education, examination, experience, ethics, and other requirements for CFP certification. CFP professionals voluntarily agree to comply with CFP Board's rigorous standards and subject themselves to disciplinary oversight of CFP Board. The Board works with its certified professionals to promote compliance with DOL's fiduciary rules and other regulatory requirements.
- Committee on Investment of Employee Benefit Assets (CIEBA) represents more than 100 of the country's largest pension funds. Its members manage almost \$2 trillion of defined benefit and defined contribution plan assets on behalf of 17 million plan participants and beneficiaries. As the largest organization of corporate pension investment officers, CIEBA represents the interests of employee benefit plan sponsors before legislators, Congress, regulators, and the media.
- The ERISA Industry Committee (ERIC) is a national trade association advocating solely for the employee benefit and compensation interests of the country's largest employers. ERIC engages with EBSA on health and retirement issues, including reporting requirements, ACA, mental health, wellness programs, and other issues of importance to its members.
- The Investment Company Institute (ICI) is a trade association of regulated investment funds, including mutual funds, exchange-traded funds, closed-end funds, and unit investment trusts in the U.S., and similar funds offered to investors in jurisdictions worldwide. ICI engages with EBSA on pension and investment related issues, including reporting requirements and other issues of importance to its members.
- The National Association of Insurance Commissioners (NAIC) is the U.S. standard-setting and regulatory support organization created and governed by the chief insurance regulators from the 50 states, the District of Columbia, and five U.S. territories. Through the NAIC, state insurance regulators establish standards and best practices, conduct peer

review, and coordinate regulatory oversight. NAIC staff supports these efforts and represents the collective views of state regulators domestically and internationally. NAIC members, working with the NAIC, are the backbone of state-based insurance regulation in the U.S. They engage with EBSA on health care issues affecting insured group health plans, as well as issues relating to annuities.

- The National Coordinating Committee for Multiemployer Plans (NCCMP) is an organization of national, regional, and local multiemployer pension and health and welfare plans, International and Local Unions, national and local employer associations, individual local employers, and multiemployer fund professionals. The NCCMP engages with EBSA on a wide range of issues concerning composite plan proposals, health care, the PBGC, and multiemployer plans generally.
- The Securities Industry and Financial Markets Association (SIFMA) is a U.S. industry trade group representing securities firms, banks, and asset management companies.
- Service Employees International Union (SEIU) is a labor union with two million members, many working in occupations involving health care, public services, and property services. It engages with EBSA on issues concerning health care as well as issues with multiemployer plans, state initiatives, proxy voting, and other regulatory initiatives.
- The U.S. Chamber of Commerce is the world's largest business organization representing the interests of more than three million businesses of all sizes, sectors, and regions. It engages with EBSA on a range of issues of interest to its members, including retirement security, health care, reporting requirements, and other regulatory initiatives.

TAB 3: CALENDAR

Event	Date
Semiannual regulatory agenda published (Administration-wide exercise)	Fall 2020
PBGC Inspector General Semiannual Report to Congress issued	October 2020
PBGC Annual Report issued	November 2020
ERISA Advisory Council appointments	December 2020
ERISA Advisory Council Reports provided to EBSA	December 2020
Organisation for Economic Co-operation and Development (OECD) Working Party on Private Pensions meeting	December 2020
Mental Health Parity and Addiction Equity Act (MHPAEA) Enforcement Fact Sheet released	December 2020
PBGC ERISA 4010 Report to Congress	TBD 2020
PBGC Five-Year Report to Congress on Multiemployer Pension Plans	TBD 2020
Self-Insured Group Health Plans Report to Congress issued	March 2021
Social Security and Medicare Trustees Report issued	April 2021
MHPAEA Report to Congress issued	January 2022

Semiannual Regulatory Agenda

Twice each year, the Department publishes a semiannual regulatory agenda under the direction of OMB. The Fall 2020 agenda will be published later this year.

Meetings

- Board of Trustees Semiannual Meetings. The Board of Trustees of the Social Security and Medicare Trust Funds is composed of the Secretary of the Treasury, who is the Managing Trustee; the Secretary of Labor; the Secretary of HHS; the Commissioner of Social Security; and two public representatives appointed by the President and confirmed by the Senate. The Secretary of Labor has designated the Assistant Secretary of Labor for EBSA as his or her representative when the Secretary is not available. The Board is responsible for holding the Trust Funds and for reporting to Congress on the operation and status of the Trust Funds annually and whenever the Board believes the Trust Funds are too small. Those reports are due on April 1 of every year. According to the Social Security Act, the Board of Trustees shall meet not less frequently than once each calendar year. However, the by-laws of the Board state that the Trustees shall meet in person not less frequently than twice each calendar year. The meetings are typically in the spring and fall.

- [Organisation for Economic Co-operation and Development \(OECD\) Semiannual Meetings](#). The OECD is an international economic organization founded in 1961. With a focus on economic growth and job creation, the 37 member countries compare best practices, data, and advice on public policies. The OECD provides a framework and process that enables governments to coordinate domestic and international policies. Established in 1999, the OEC's Working Party on Private Pensions (WPPP) provides a forum for policy-makers from OECD countries to discuss public policy regarding private pensions, with a focus on regulation. Its mission is to assist countries in the development of an adequate regulatory and supervisory framework that protects the rights of members and beneficiaries and promotes the financial security of pension plans and funds. This work is performed through the development of standards, in-depth policy analysis, and a unique global data collection process. As more countries undertake pension reforms that create or expand the role of private pensions in the provision of retirement income for the citizens, this work is expected to gain momentum. The WPPP also promotes dialogue with non-OECD countries through conferences and workshops organized throughout the year in different parts of the world. Since 1999, EBSA has attended the WPPP December and June semiannual meetings in Paris, France. The next meeting is scheduled for December 7-11, 2020.

EBSA Reports

- [ERISA Advisory Council](#). ERISA provides for the establishment of an Advisory Council on Employee Welfare and Pension Benefit Plans (the ERISA Advisory Council). The duties of the ERISA Advisory Council are to advise the Secretary of Labor and submit recommendations regarding the Secretary's functions under ERISA. The ERISA Advisory Council consists of 15 members appointed by the Secretary for three-year terms. Five terms expire each year. We expect the five new members of the 2021 ERISA Advisory Council will be announced, notified, and sworn in by the end of December 2020.

The 2020 Council's reports will be presented in summary to DOL on December 4, 2020. The Council will transmit its final reports to EBSA by December 31, 2020.

- [Self-Insured Group Health Plans Report](#). The next report is due March 31, 2021. ACA requires the Secretary to provide Congress with an annual report containing general information on self-insured employee health benefit plans and financial information regarding employers that sponsor such plans.
- [Mental Health Parity and Addiction Equity Report to Congress](#). The next report is due in 2022. MHPAEA requires the Secretary of Labor to provide a biennial report to Congress on the compliance of group health plans (and health insurance coverage offered in connection with such plans) with the requirements of the federal mental health and substance use disorder parity provisions (the Secretary of Labor has also voluntarily committed to annually releasing information on investigations involving MHPAEA).

- [Report on Investigations Regarding Parity](#). The 21st Century Cures Act, enacted in December 2016, requires EBSA to submit a report regarding any serious violation of MHPAEA no later than one year after enactment, and annually for the subsequent five years. The next MHPAEA enforcement fact sheet will be issued in December 2020.

PBGC Reports to Congress cleared by the PBGC Board of Directors or Board Representatives as permitted under the PBGC bylaws

- [Annual Report and Projections Report](#). The Annual Report is due on November 15 every year. The Projections Report, which is part of the Annual Report, is released as soon as practicable after the close of the fiscal year. ERISA requires the PBGC to transmit to the President and the Congress a report including financial statements setting forth the finances of the corporation at the end of the fiscal year and the result of its operations (including the source and application of its funds) for the fiscal year. The report also includes an actuarial evaluation of the expected operations and status of the funds established under ERISA section 4005 for the next five years (including a detailed statement of the actuarial assumptions and methods used in making such evaluation), which PBGC refers to as the Projections Report. PBGC released the FY 2019 Projections report on September 14, 2020.
- [ERISA Section 4010 Report](#). The next 4010 Report is expected in 2020. The Pension Protection Act of 2006 requires the PBGC to give Congress an annual report containing aggregate summaries of the information submitted by single-employer plan sponsors under ERISA section 4010. Certain single employer plan sponsors and members of their control groups that have plans that are less than 80 percent funded, that missed contributions from which a lien arises under the tax code, or that obtained a funding waiver in excess of \$1,000,000 must submit information, including (1) the amount of benefit liabilities under the plan determined using assumptions set by the corporation in determining liabilities; (2) the funding target of the plan determined as if the plan has been in at-risk status for at least five plan years; and (3) the funding target attainment percentage of the plan. The last 4010 Report was issued on March 27, 2019.
- [Five-Year Report on Multiemployer Pension Plans](#). The next report is due in 2020. The Multiemployer Plan Amendments Act of 1980 (MPPAA) requires that, at least every fifth year since the enactment of MPPAA, the PBGC report to Congress on PBGC's review of its multiemployer insurance program, to determine the premiums needed to maintain the current guarantee levels and whether the guarantee levels may be increased without increasing premiums.

PBGC Reports to Congress provided to the PBGC Board of Directors

- [PBGC Inspector General Semiannual Report to Congress](#). The next report is due October 31, 2020. Under 1988 amendments to the Inspector General Act of 1978, the Inspector General is required to prepare semiannual reports summarizing the activities of the PBGC during the immediately preceding six-month periods ending March 31 and September 30. Such reports include a description of significant problems, abuses, and deficiencies relating to the administration of programs; and a description of the recommendations for corrective action made by the Office. The reports are furnished to the PBGC Board not

later than April 30 and October 31 of each year and are transmitted by the Board to Congress within thirty days after receipt of the report. The Inspector General report must be accompanied by, among other things, any comments the Board determines appropriate, and statistical tables regarding disallowed costs, audit reports, and management decisions and actions regarding issues raised in such reports.

- [PBGC Participant and Plan Sponsor Report](#). The next report is due December 31, 2020. MAP-21 requires the Participant and Plan Sponsor Advocate to report annually to PBGC's committees of jurisdiction on the activities of the Office of the Participant and Plan Sponsor Advocate during the fiscal year ending during such calendar year. The last report was issued on December 31, 2019.
- [Annual PIMS Peer Review](#). As required by MAP-21, an independent body must conduct an annual peer review of PBGC's Pension Insurance Modeling System (PIMS). An annual review of the FY 2019 version is underway and is targeted, rather than comprehensive.

Social Security and Medicare Reports

- [The Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds](#). Under the Social Security Act, the Board of Trustees reports annually to Congress on the operation and status of the Trust Funds during the preceding fiscal year and on their expected operation and status during the next five fiscal years. The 2020 Trustees Report was issued on April 22, 2020. The 2021 Trustees Report is scheduled to be released by April 1, 2021.
- [The Annual Report of the Board of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds](#). The Board of Trustees reports annually to Congress on the operation and status of the Trust Fund during the preceding fiscal year and on its expected operation and status during the current fiscal year and the next two fiscal years. The 2019 Trustees Report was issued on April 22, 2020. The 2021 Trustees Report is scheduled to be released by April 1, 2021.

TAB 4: BUDGET

**Employee Benefits Security Administration
BUDGET AUTHORITY AND FTE SUMMARY**

(Dollars in millions)

	FY 2017 Enacted	FY 2018 Enacted	FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request
Budget Authority	\$181.0	\$181.0	\$181.0	\$181.0	\$192.7
FTE	925	860	840	826 ³	875

At-A-Glance

- EBSA is funded by an annual discretionary appropriation. EBSA protects the retirement and health benefit security of workers, retirees, and their families through an integrated program of regulation, compliance assistance and education, civil and criminal enforcement, research, and analysis.
- EBSA utilizes an aggressive outreach, education, and participant assistance program to inform the public of their rights and benefits as well as to educate the regulated community regarding their responsibilities and obligations under the law.
- EBSA component programs use a number of different approaches to ensure employee benefits are protected, including national/regional enforcement priorities and projects, voluntary compliance programs, civil and criminal litigation, and research-based analysis.
- EBSA strives to deploy its scarce investigative and other resources in a way that maximizes the agency’s impact on the vast universe of regulated plans and service providers. EBSA is responsible for the security and integrity of approximately 2.5 million health plans, a similar number of other welfare plans, and 722,000 private retirement plans. ERISA covers more than 154 million workers, retirees, and dependents of private sector pension and welfare plans with estimated assets of \$10.7 trillion.
- The agency also has important interpretive and regulatory responsibilities with respect to IRAs, which hold about \$8.8 trillion in assets, and audit responsibilities with respect to the federal TSP, which is the world’s largest employee contributory plan with more than 5.9 million participants and more than \$600 billion in assets.
- EBSA’s approach to promoting benefits security is developed and implemented in response to public concerns, experience with civil and criminal investigations, participant inquiries, research, and trends and vulnerabilities identified in the private sector. The agency focuses its limited resources on investigations, litigation, research, and regulatory activities that are likely to have a positive impact that far outstrips the resources expended.

³ Reflects the Information Technology (IT) shared services realignment of 14 FTEs consistent with the President’s Management Agenda to leverage IT platform capabilities, secure and enhance IT infrastructure, and implement the Modernizing Government Technology Act.

Budget and FTE Trends

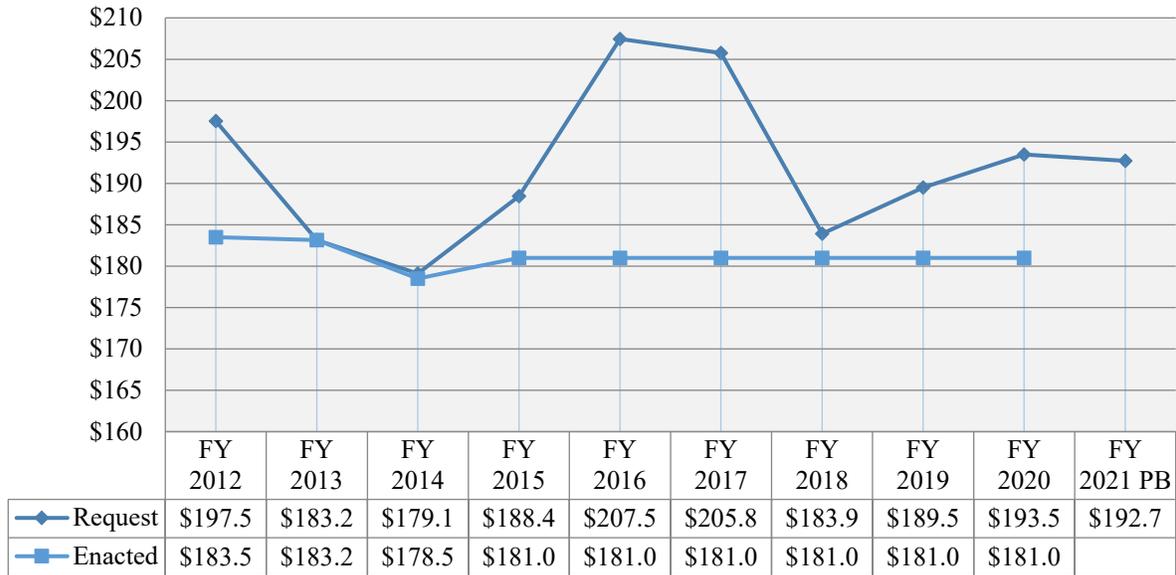
- Since FY 2012, Congress has not appropriated any program increases. Not only has the EBSA appropriation been reduced to \$181 million, the agency has continually absorbed unfunded annual expense increases and mandates (e.g. pay increases, WCF, rent, security, and utilities) every year since FY 2015. As a result, the capacity to finance FTE has declined more than 13 percent from FY 2015 to FY 2020.
- The FY 2021 budget submission to Congress builds from an FY 2020 enacted level of \$181,000,000 to a request level of \$192,738,000 and seeks program increases of \$8,165,000 and 49 FTEs for the enforcement and administration of MEWAs and an increase of \$2,000,000 for enhanced TSP audits and oversight.

Upcoming Issues

EBSA will continue to focus its employee benefits security program on major cases. The Major Case Initiative will continue to concentrate resources on areas that have the greatest impact on the protection of plan assets and participants' benefits (e.g., cases involving professional fiduciaries and service providers with responsibility for large amounts of plan assets and benefits). EBSA will also focus on cases involving potential systemic MHPAEA violations (e.g., wrongful denials and inappropriate treatment limitations) and other systemic ERISA violations affecting MH/SUD benefits (e.g., inaccurate disclosure regarding provider networks). Finally, EBSA will continue to implement compliance-related programs to support the agency's oversight and audit initiatives involving MEWA enforcement and fraud schemes/trends.

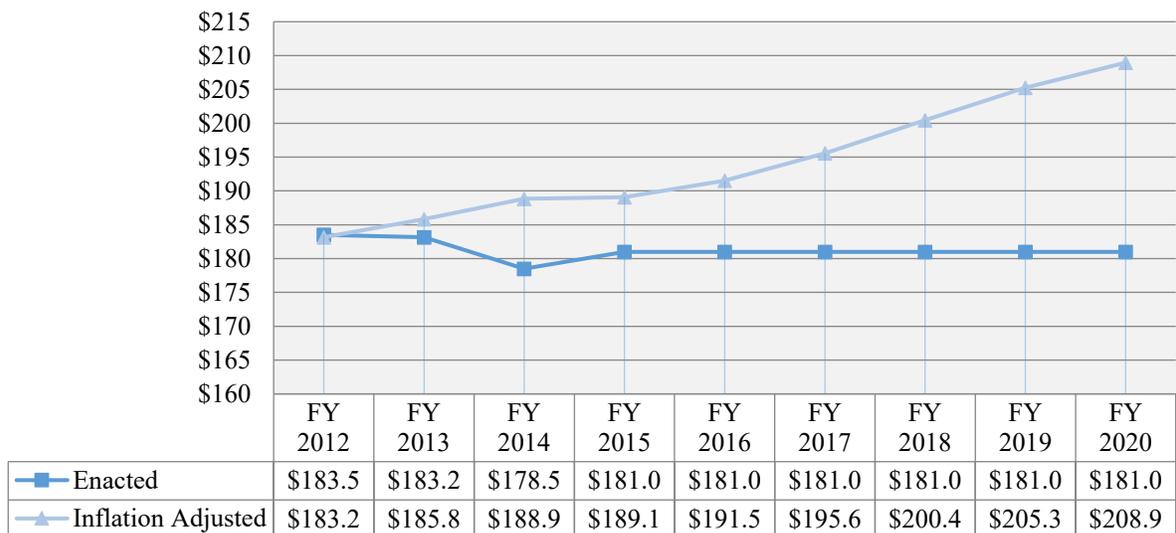
EBSA

Request vs. Enacted, FY 2012-FY 2021
(Dollars in millions)



EBSA

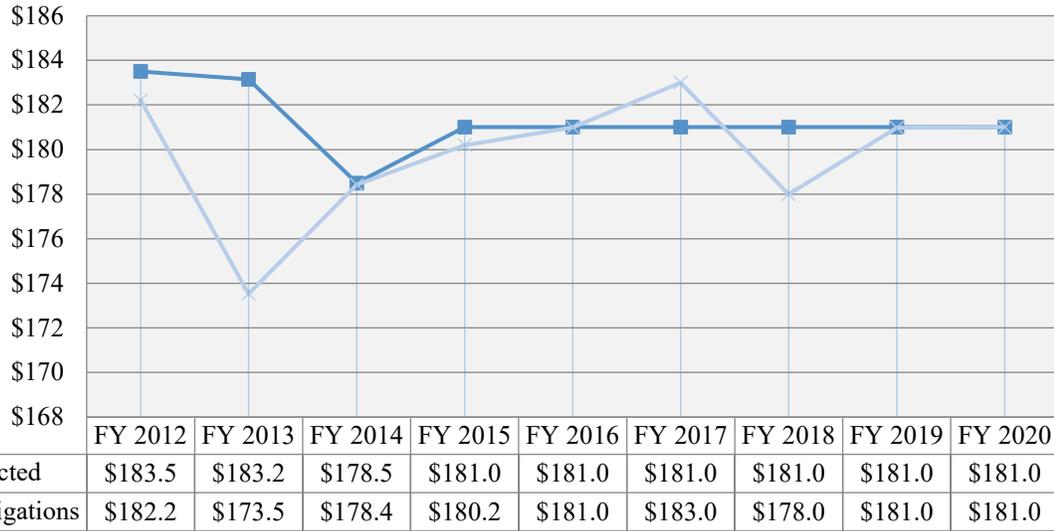
FY 2012 Inflation Adjusted BA vs. FY 2012-FY 2020 Enacted BA
(Dollars in millions)



EBSA

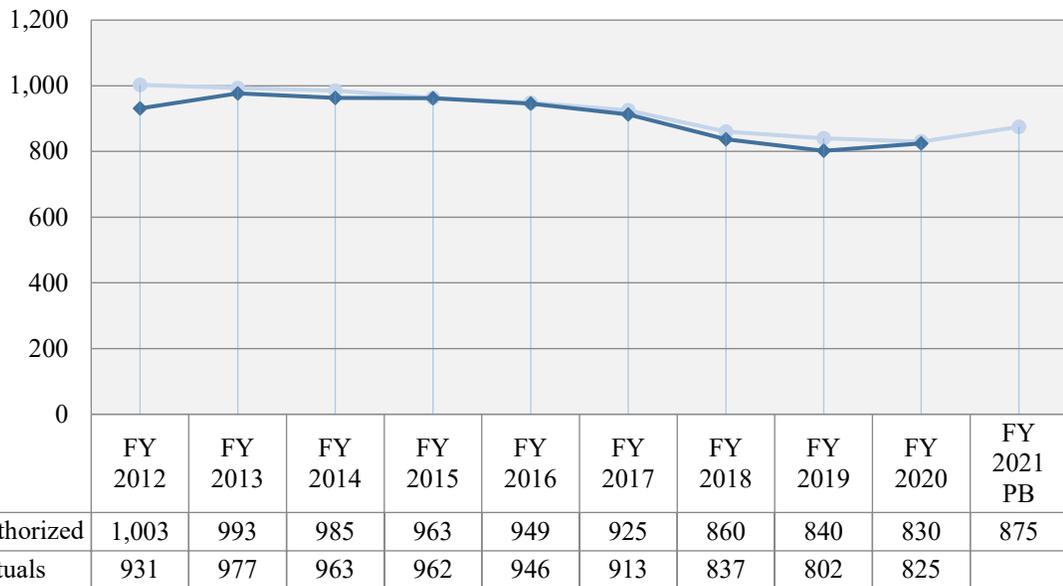
Budget Authority vs. Obligations, FY 2012-FY 2020

(Dollars in millions)



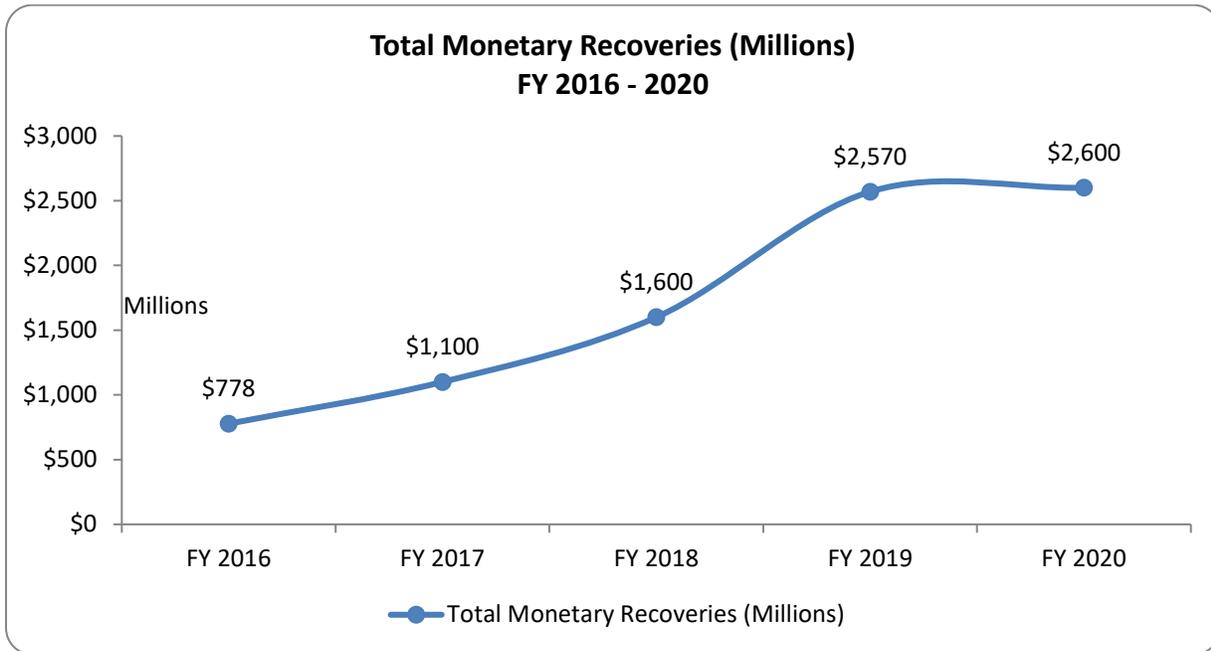
EBSA

Authorized FTE vs. Actuals, FY 2012-FY 2021



TAB 5: AGENCY PERFORMANCE

In FY 2014, EBSA strategically changed its performance measures to emphasize the overall impact of its investigations instead of the number of cases processed. This approach has resulted in improved monetary recoveries. In FY 2020, EBSA recovered more than \$2.6 billion for direct payment to plans, participants, and beneficiaries. While EBSA attributes a significant portion of the result to a specific Major Case initiative (Terminated Vested Participant Project (TVPP) cases have obtained unusually large recoveries for participants and beneficiaries), which it will deemphasize in the years to come, it is still notable as the continuation of a strongly increasing trend since FY 2015.



In FY 2018, EBSA implemented two new performance measures to evaluate the effectiveness and efficiency of the Major Case priority: (1) Major Case Monetary Recoveries per Major Case Staff Day, and (2) Monetary Recoveries on Major Cases Closed per Staff Day. Both metrics measure efficiency by linking outputs (investigative time) to outcomes (monetary recoveries). The measures also reflect targeting and resource management.

TAB 5: Agency Performance

