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OVERSIGHT AND GOVERNMENT
REFORM

Congress of the United States
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June 7, 2011

The Honorable Hilda Solis
U.S. Department Of Labor
200 Constitution Ave., Nw
Washington, DC 20210-0001

Dear Secretary Solis,

Employee stock ownership plans (ESOPs) have provided numerous direct benefits to Vermont's businesses and employees. ESOPs benefit employee owners, their companies, and their communities by providing gainful employment and contributing to the retirement savings of employees.

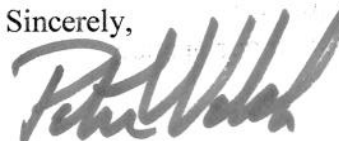
Vermont ESOP companies are concerned about potential negative impacts of a proposed Labor Department regulation that would define valuers of these companies' ESOPs as ERISA fiduciaries. Their concern is regarding the potential for excessive expenses should the proposal be implemented.

I request that you consider their view that the cost to operate and/or establish an ESOP with the proposed fiduciary rule would significantly impact the future of this highly successful ownership model. Small Vermont businesses already face high operating costs. According to them, compliance with this mandate could potentially create additional costs as valuers would need to obtain ERISA fiduciary insurance.

Vermont companies that engage in ESOPs are able to ensure excellent retirement security and benefits for their employees. Thank you for considering added costs this proposal may incur, and any potential for negative growth as predicted by Vermont ESOPs.

I look forward to hearing from you on this issue.

Sincerely,



PETER WELCH
Member of Congress

PW/sn

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