

**Congress of the United States**  
**House of Representatives**  
Washington, DC 20515-0503

February 17, 2023

President Joe Biden  
The White House  
1600 Pennsylvania Avenue NW  
Washington, D.C. 20500

Dear President Biden,

We understand from numerous news reports that Secretary of Labor Marty Walsh intends to leave his post very soon. We wish to express our strong opposition to nominating Deputy Secretary of Labor Julie Su, to succeed Mr. Walsh as Secretary of Labor.

From 2017-2019 Deputy Secretary Su served as California Labor Secretary. During Ms. Su's tenure she oversaw two highly damaging labor actions: (1) allowed one of the largest cases of unemployment insurance fraud to occur and (2) implemented one of the most destructive labor policies in decades.

**Fraud showing the highest degree of negligence**

According to numerous reports, the California agency responsible for the unemployment compensation program admitted to improperly paying out at least \$32 billion in jobless benefits ([\\$32 billion in EDD fraud](#)), some of it going to incarcerated individuals. What is most infuriating about this situation is it could easily have been prevented had the state implemented proper fraud prevention systems. Instead, the state of California determined that several million dollars per year price tag for these systems was too expensive.

And while the state stood by twiddling its thumbs and \$32 billion in fraudulent payments were being sent to individuals who did not qualify for the assistance, those who were eligible and truly needed the help did not receive payments in time for months on end.

In late April, one of our delegation offices received a call from a woman named Emily who was inconsolable, saying she was on the brink of giving up hope. She was out of work and her EDD claim had been pending for a month. She had no money, no way to pay her bills or put food on the table. We would later learn the agency had made a basic processing error, denying her claim and not even telling her. Further, an August 8, 2022 article in the *Sacramento Bee* noted that "payments were delayed for about 5 million workers during the Covid pandemic that began in March 2020. An estimated 1 million people had their benefits improperly denied" (<https://amp.sacbee.com/news/politics-government/capitol-alert/article264295806.html>).

These are just some of the heartbreaking stories that we are hearing from our constituents caused by mismanagement of these EDD funds.

**Damage to the livelihoods of hard-working Americans**

A second and equally appalling black eye is that Deputy Secretary Su also supported California's AB5, a law that makes it nearly impossible for independent contractors to operate in the state of California due to impossible standards used to determine employee versus contracted employee. This single ill-conceived action of the California legislature, supported by Deputy Secretary Su, has cost tens of thousands of freelance workers and independent contractors their economic livelihoods

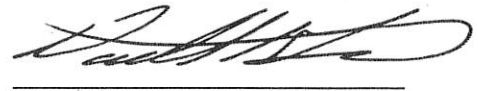
Either of these two situations should be an automatic disqualifier for anyone nominated to head the U.S. Department of Labor. But together, these two situations scream "incompetence."

We urge you not to nominate Julie Su to be the next Secretary of Labor.

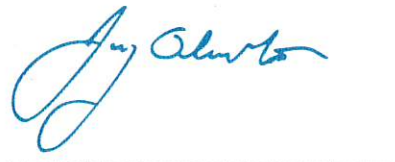
Sincerely,



Kevin Kiley  
Member of Congress



Darrell Issa  
Member of Congress



Jay Obernolte  
Member of Congress



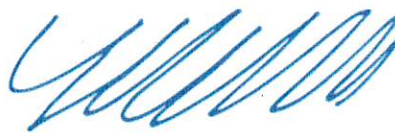
Young Kim  
Member of Congress



Tom McClintock  
Member of Congress



Ken Calvert  
Member of Congress



Mike Garcia  
Member of Congress