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JUDICIARY

July 6, 2026

The Honorable Kieth Sonderling
Acting Secretary
United States Department of Labor
200 Constitution Ave., NW
Washington, D.C. 20210

The Honorable Daniel Aronowitz
Assistant Secretary
Employee Benefits Security Administration
United States Department of Labor
200 Constitution Ave., NW
Washington, D.C. 20210

Dear Acting Secretary Sonderling and Assistant Secretary Aronowitz,

I write to request that the Department of Labor and Employee Benefits Security Administration (EBSA) investigate whether the leadership of the American Federation of Teachers (AFT) and any plan managers covered by the Employee Retirement Income Security Act (ERISA) improperly coordinated to leverage plan assets for political objectives in violation of fiduciary duties.

Congress enacted ERISA to protect participants in and beneficiaries of employee retirement and benefits plans.[1] One mechanism through which ERISA achieves that purpose is by imposing fiduciary duties of loyalty and prudence on plan managers.[2] The fiduciary duty of loyalty imposed by ERISA is "the highest known to the law"[3] and requires fiduciaries to act "*solely* in the interest of the participants and beneficiaries and…for the *exclusive* purpose of…providing benefits to participants and their beneficiaries."[4] And those "benefits" are "*financial* benefits" only.[5] Accordingly, the Department recently reaffirmed that fiduciaries violate ERISA's exclusive purpose and prudence requirements by leveraging plan assets to further political or social causes.[6]

Despite these prohibitions, AFT leadership has repeatedly threatened to improperly wield its members' pension-fund and ERISA-plan assets to pressure corporations into political activity.[7] AFT's actions warrant investigation to determine whether its leadership coordinated with ERISA fiduciaries to take investment actions that violated the duties of loyalty and prudence by subordinating beneficiaries' financial interests to AFT's political and ideological interests.

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[1] *E.g.*, Pilot Life Ins. Co. v. Dedeaux, 481 U.S. 41, 44 (1987).
[2] *See* 29 U.S.C. § 1104(a).
[3] Bussian v. RJR Nabisco, Inc., 223 F.3d 286, 294 (5th Cir. 2000).
[4] 29 U.S.C. § 1104(a) (emphases added).
[5] Fifth Third Bancorp v. Dudenhoeffer, 573 U.S. 409, 421 (2014) (emphasis in original).
[6] U.S. Dep't of Labor, Emp. Benefits Sec. Admin., Technical Release No. 2026-01, *Application of ERISA Fiduciary Requirements to Proxy Advisory Services* (Apr. 1, 2026), https://www.dol.gov/agencies/ebsa/employers-and-advisers/guidance/technical-releases/26-01#t8; *cf.* Exec. Order No. 14366, 90 Fed. Reg. 58503, § 4(b) (Dec. 11, 2025) (directing the Department to strengthen ERISA fiduciary standards against politicized investment activities).
[7] *E.g.*, Letter from Randi Weingarten, President, American Federation of Teachers, to Michael Fiddelke, CEO, Target Corp. (Feb. 1, 2026).

AFT operates through affiliated state and local unions that form constituent parts of the AFT national organization structure.[8] AFT and its affiliates' membership includes not only public-school teachers, but also private-sector healthcare workers, private higher-education employees, other non-governmental employees, and AFT's own employees.[9]

Accordingly, many dues-paying AFT members participate in ERISA-covered retirement or employee-benefit plans.[10] So to the extent AFT-affiliated ERISA plans maintain invested assets, those responsible for managing the plans' assets are subject to ERISA's duties of prudence and loyalty.[11] Federal law thus prohibits AFT-affiliated plan fiduciaries from violating those duties of loyalty and prudence by subordinating participants' financial interests to collateral political, social, or ideological objectives.[12]

Yet AFT leadership's repeated claims that it will leverage plan assets for political purposes suggest it may be coordinating with plan fiduciaries to engage in precisely the type of political and ideological investment activities prohibited by ERISA's duty of loyalty. For example, AFT's President Randi Weingarten recently sent a letter to Target Corporation threatening to leverage members' retirement-fund and benefit-plan holdings to pressure the company into adopting specific political stances.[13] Additionally, members of AFT's leadership also appear to serve as fiduciaries of ERISA-covered plans, raising concern that AFT leadership has the means to effectuate its stated desire for politicized investment activities.[14]

This potential political weaponization of plan assets puts workers' retirements and benefits funds at risk and distorts capital markets. And if AFT and plan managers coordinated to take investment activities based on politics and ideology rather than financial considerations, then they may have violated ERISA's duties of prudence and loyalty.

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[8] *See, e.g.*, Am. Fed'n of Teachers, Const. and Bylaws, art. III–IV (2024), available at: https://www.aft.org/sites/default/files/media/documents/2024/AFTconstitution2024.pdf.

[9] *See, e.g.*, *ibid*.

[10] *See, e.g.*, New York State United Teachers Member Benefits Trust, *2026 Summary Plan Description*, available at: https://memberbenefits.nysut.org/-/media/files/mb-nysut/pdfs/spds--smms/2026-spd-final.pdf (acknowledging the plan was subject to ERISA requirements, including fiduciary duties).

[11] *See* 29 U.S.C. § 1104 (a)(1).

[12] *See, e.g.*, Spence v. Am. Airlines, Inc., 775 F. Supp. 3d 963, 1003–11 (N.D. Tex. 2025) (holding fiduciaries violated ERISA's duty of loyalty by, amongst other things, allowing political and ideological goals to impact investment decisions).

[13] Letter from Randi Weingarten, President, American Federation of Teachers, to Michael Fiddelke, CEO, Target Corp. (Feb. 1, 2026); *see also* Letter from Will Hild, Executive Director of Consumers' Research, to Acting Secretary of Labor Keith Sonderling (June 11, 2026) (collecting examples of AFT leadership engaging in politically motivated investment activism).

[14] *Compare* New York State United Teachers Member Benefits Trust, *2026 Summary Plan Description*, *supra* note 10 (listing J. Philippe Abraham as trustee and Chairperson of NYSUT Member Benefits Trust and acknowledging the Trust is subject to ERISA requirements), *with* "J. Philippe Abraham," Am. Fed'n of Teachers, https://www.aft.org/about/leadership/j-philippe-abraham (last accessed June 15, 2026) (listing J. Philippe Abraham as Vice President of national AFT organization).

A Department and EBSA investigation into whether plan managers violated their fiduciary duties to plan beneficiaries by engaging in impermissible political and ideological activism with plan funds is therefore necessary.

I thank both the Department and EBSA for continued engagement on this issue. In accordance with that prior work, I encourage the Department and EBSA to investigate whether plan fiduciaries have breached their duties by coordinating with AFT to subordinate plan beneficiaries' financial well-being to unrelated political or ideological objectives in their shareholder and investment activities.

Sincerely,

Eric S. Schmitt
United States Senator