

# United States Senate

August 1, 2018

Mr. Timothy J. Sloan  
CEO and President  
Wells Fargo  
420 Montgomery Street  
San Francisco, CA 94104

Dear Mr. Sloan:

I write to express my serious concerns regarding widespread layoffs at the Wells Fargo call center in Reno, Nevada. Despite receiving billions of dollars in benefits from the recently passed tax reform bill, it appears that your company is intent on letting go of American workers and outsourcing jobs overseas.

In June, Wells Fargo announced that the company would be closing its call center in Reno, Nevada and laying off approximately 340 employees. A representative from your company claimed that these layoffs are the result of decreased customer demand.<sup>1</sup> However, the cuts are similar to those occurring in call centers across the country, and I am sincerely concerned that these layoffs are the first step in a move to outsource jobs to call centers overseas.

During a hearing before the Senate Banking Committee last year, you acknowledged that Wells Fargo was letting American call center employees go while at the same time increasing jobs abroad.<sup>2</sup> In addition to the layoffs taking place in Nevada, thousands of call center employees have been laid off in Pennsylvania, South Carolina, Washington, and Wisconsin. Meanwhile, your outposts in the Philippines are reportedly preparing to hire more than 7,000 employees.<sup>3</sup>

It is alarming that these layoffs are occurring despite the astronomical benefits that Wells Fargo will receive from the recently passed Tax Cuts and Jobs Act of 2017. One estimate from Goldman Sachs found that the tax cut would boost Wells Fargo profits by \$3.7 billion for 2018.<sup>4</sup>

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<sup>1</sup> "Wells Fargo closing Reno call center at Vassar & Terminal," *KOLO*, June 6, 2018.

<http://www.kolotv.com/content/news/Wells-Fargo-closing-Reno-call-center-at-Vassar-St--Terminal-Way-484771741.html>

<sup>2</sup> Deon Roberts, "Now hiring—Wells Fargo seeks overseas call center workers as it slashes US jobs," *Charlotte Observer*, October 19, 2017. <https://www.charlotteobserver.com/news/business/banking/article179747451.html>

<sup>3</sup> "Wells Fargo Opens New Recruitment Center Designed to Give Applicants the Look and Feel of a Typical Retail Bank Branch in the U.S.," *BusinessWire*, May 8, 2017.

<https://www.businesswire.com/news/home/20170508005563/en/Wells-Fargo-Opens-New-Recruitment-Center-Designed>

<sup>4</sup> Renae Merle, "With its 2018 tax cut, Wells Fargo could pay its \$1 billion fine 3 times and still have cash to spare," *The Washington Post*, April 20, 2018. [https://www.washingtonpost.com/news/business/wp/2018/04/20/with-its-2018-tax-cut-wells-fargo-could-pay-its-1-billion-fine-3-times-have-cash-to-spare/?utm\\_term=.5ee209198d01](https://www.washingtonpost.com/news/business/wp/2018/04/20/with-its-2018-tax-cut-wells-fargo-could-pay-its-1-billion-fine-3-times-have-cash-to-spare/?utm_term=.5ee209198d01)

Furthermore, the same month Wells Fargo announced the layoffs in Reno, you also announced a planned stock buyback of \$24.5 billion.<sup>5</sup>

Given the concerns I have regarding your employees in Nevada, I request that you respond to the following questions in writing by August 16, 2018.

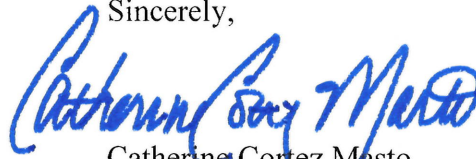
1. How many Wells Fargo employees in Nevada will be laid off from the company?
2. What is the timetable for all layoffs of Wells Fargo employees in Nevada?
3. Do you anticipate multiple rounds of layoffs? Please provide information on planned layoffs in the future.
4. Please provide a copy of the severance package that Reno employees receive.
  - a. How many months' pay will employees receive with their severance?
  - b. Will employees receive mortgage assistance? If so, please describe.
  - c. Will employees receive assistance with health insurance or other medical benefits? If so, please describe.
  - d. Will employees receive outplacement assistance? If so, please describe.
5. Will employees be required to sign non-compete agreements or non-disclosure agreements? If so, please describe.
6. How many employees, if any, at the Reno call center are transferring within Wells Fargo to another location or another job? Please list their position and new location.
7. Will any of the positions eliminated in Nevada be reestablished overseas?
8. How many call centers do you have overseas? Please list their locations and the number of employees at each call center overseas.
9. How many call centers do you have in the United States? Please list their locations and the number of employees at each center.
10. How many U.S. call centers have you closed and/or reduced your workforce at in the last five years? Please list the location and number of call center employees in the last five years.
11. How many people currently work at your call center(s) in the Philippines? How many workers did you employ at Philippines call center(s) in FY16 and FY17?
12. Do you plan to ensure Nevada employees receive Trade Adjustment Assistance? Please provide a detailed description of your reasoning behind this response.

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<sup>5</sup> Emily Glazer, "Wells Fargo to Raise Quarterly Dividend to 43 Cents a Share, Boost Buybacks," *The Wall Street Journal*, June 28, 2018. <https://www.wsj.com/articles/wells-fargo-passes-feds-stress-test-1530217800>

Wells Fargo must take seriously its responsibility to treat its employees fairly and to operate in good faith as a member of the Nevada community. I look forward to further discussion with you on this matter.

Sincerely,

A handwritten signature in blue ink that reads "Catherine Cortez Masto". The signature is written in a cursive, flowing style.

Catherine Cortez Masto  
United States Senator