



Legislative and Regulatory Report

A monthly review of the latest information of importance to retirement plan sponsors

June 2024

Inside this issue

Spending bill defunding fiduciary rule released	1
DOL issues report on pension risk transfers.....	1
House Judiciary Subcommittee holds hearing on ESG investing	2
Treasury releases RFI on AI	2

Spending bill defunding fiduciary rule released

On June 24, the House Appropriations Labor, Health and Human Services, Education, and Related Agencies Subcommittee advanced its fiscal year 2025 [Appropriations bill](#). The measure contains provisions that would prevent the Department of Labor (DOL) from using funds under the act to administer, implement and enforce DOL's Retirement Security Rule. These provisions are considered primarily symbolic and are unlikely to pass the Senate or be enacted into law.

DOL issues report on pension risk transfers

On June 24, the Department of Labor's (DOL's) Employee Benefits Security Administration (EBSA) issued a [report](#) to Congress on an interpretive bulletin (95-1) which historically guided fiduciaries in selecting annuity providers for defined benefit pension plans under ERISA. EBSA found that the bulletin's current factors are still relevant to a fiduciary's prudent and loyal evaluation and that guidance in this area should remain principles-based. The report also noted the need for potential updates due to industry developments. However, amendments to Interpretive Bulletin 95-1 will include a public notice and a comment period to gather stakeholder input.

House Judiciary Subcommittee holds hearing on ESG investing

On June 12, the House Judiciary Subcommittee on the Administrative State, Regulatory Reform, and Antitrust held a [hearing](#) titled, “Climate Control: Decarbonization Collusion in Environmental, Social, and Governance (ESG) Investing.” Republicans argued that climate organizations such as Climate Action 100+ are violating antitrust laws by colluding to pressure companies, particularly in the oil and gas sector, to reduce emissions, potentially restraining trade and harming competition. Democrats countered that ESG initiatives do not constitute antitrust violations and emphasized the broader impacts of climate change, including reduced homeowners insurance.

Treasury releases RFI on AI

On June 6, the U.S Department of the Treasury (Treasury) released a [Request for Information](#) (RFI) on the applications, opportunities and risks of artificial intelligence (AI) in the financial services sector. The RFI seeks to understand potential obstacles for facilitating responsible use of AI within financial institutions, the impact on various stakeholders, and recommendations for improving legislative and regulatory frameworks. Public comments will be accepted until August 12. Trade organizations such as the American Council of Life Insurers and the National Association of Mutual Insurance Companies plan on responding.

References and source material used in this publication

“118th Congress, 2nd Session, FY 2025 Bill,” <https://docs.house.gov/meetings/AP/AP07/20240627/117475/BILLS-118-SC-AP-FY2025-LaborHHS-FY25LHSSubcommitteeMark.pdf> (June 24, 2024).

“Department of Labor Report to Congress on Employee Benefits Security Administration’s Interpretive Bulletin 95-1,” <https://www.dol.gov/sites/dolgov/files/EBSA/laws-and-regulations/laws/secure-2.0/report-to-congress-on-interpretive-bulletin-95-1.pdf> (June 2024).

“Climate Control: Decarbonization Collusion in Environmental, Social, and Governance (ESG) Investing,” <https://judiciary.house.gov/committee-activity/hearings/climate-control-decarbonization-collusion-environmental-social-and-0> (June 12, 2024).

“Request for Information on Uses, Opportunities, and Risks of Artificial Intelligence in the Financial Services Sector,” <https://home.treasury.gov/system/files/136/Treasury-AI-RFI-financial-sector-2024.pdf> (June 12, 2024).

Keeping watch

You can find the most recent information on issues affecting governmental defined contribution plans, plan sponsors and plan participants on the Employer page of our plan website, NRSforu.com/plansponsor.



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2

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