



Legislative and Regulatory Report

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

April 2025

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Senator Cassidy releases report on independent workers’ benefits

On April 23, Senator Bill Cassidy, M.D. (R-LA), chair of the Senate Health, Education, Labor, and Pensions (HELP) Committee, released a [report](#) to help independent workers access portable benefits such as retirement and health care. His plan includes creating a safe harbor for companies to offer benefits without fear of misclassification lawsuits, implementing a single federal employment test for clarity, expanding health care options through association health plans, and increasing retirement plan participation by making pooled employer plans and simplified employee pension IRAs more accessible. These proposals aim to modernize labor laws to better support the growing gig economy.

Allen seeks to ban ESG considerations in retirement investing

On April 24, Rep. Rick Allen (R-GA), chair of the Education and Workforce subcommittee on Health, Education, Labor & Pensions, introduced the [Protecting Prudent Investment of Retirement Savings Act](#), which would codify that fiduciaries managing retirement savings under ERISA are required to focus solely on maximizing financial returns for a secure retirement, without factoring in environmental, social or governance (ESG) considerations.

Circuit court grants DOL 60 more days on fiduciary rule lawsuit

On April 15, U.S. Circuit Judge Catharina Haynes, of the 5th U.S. Circuit Court of Appeals, [granted](#) the Department of Labor (DOL) an additional 60 days, until June 16, 2025, to consider its next steps in two court cases challenging the 2024 Retirement Security Rule. This extension was requested due to the change in presidential administration and the need for new DOL leadership to become familiar with the litigation.

Tip: Click on highlighted words to go to the topic being discussed.

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Information presented in this newsletter was current and accurate as of the date of publication. This information is of a general and informational nature and is NOT INTENDED TO CONSTITUTE LEGAL OR INVESTMENT ADVICE. Rather, it is provided as a means to inform you of current information about legislative and regulatory changes and other information of interest. Plan Sponsors are urged to consult their own counsel regarding this information.

Legislation expanding retirement options introduced

On April 1, Rep. Byron Donalds (R-FL) and Sen. Tommy Tuberville (R-AL) reintroduced the Financial Freedom Act. The [legislation](#) would prohibit the Secretary of Labor from restricting the investments available in self-directed 401(k) brokerage windows. It also prevents the DOL from stopping fiduciaries from selecting any particular type of investment alternative, as long as they provide participants with a broad range of investment options. Additionally, the bill ensures that the DOL cannot require any particular investment to be favored or disfavored, except based on its risk-return characteristics.

Bills introduced to reform EBSA

Rep. Lisa McClain (R-MI) introduced the [EBSA Investigations Transparency Act](#), which would require the Employee Benefits Security Administration to submit an annual report to Congress on the status of investigation cases in enforcement status. Another [bill](#), introduced by Rep. Michael Rulli (R-OH), would require EBSA to submit an annual report to Congress on adverse interest agreements. Supporters of the bill argue that “plan sponsors deserve to know if the federal government is colluding with the plaintiff’s bar and supplying confidential information to trial lawyers suing benefits plans.”

References and source material used in this publication

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“H.R.2988 - To amend the Employee Retirement Income Security Act of 1974 to specify requirements concerning the consideration of pecuniary and non-pecuniary factors, and for other purposes,” <https://mindsetdc.us7.list-manage.com/track/click?u=65ee38c99561aeba4a1f82919&id=ccab956f5b&e=92b1e8fa24> (April 24, 2025).

“United States Court of Appeals for the Fifth Circuit, No. 24-40637,” <https://si-interactive.s3.amazonaws.com/prod/plansponsor-com/wp-content/uploads/2025/04/15153824/4.2025-Order-in-2nd-Fiduciary-Stay-1.pdf> (April 15, 2025).

“Congressional Republicans re-propose Financial Freedom Act,” <https://www.pasca.org/news/pasca-news/2025/3/congressional-republicans-re-propose-financial-freedom-act/?ite=47767&ito=1686> (April 2, 2025).

“H.R.2869 - EBSA Investigations Transparency Act,” <https://mindsetdc.us7.list-manage.com/track/click?u=65ee38c99561aeba4a1f82919&id=d2b83a9ad1&e=92b1e8fa24> (April 10, 2025).

“H.R.2958 - To amend the Employee Retirement Income Security Act of 1974 to require that the Employee Benefit Security Administration submit an annual report to Congress on adverse interest agreements, and for other purposes,” <https://www.congress.gov/bill/119th-congress/house-bill/2958?q=%7B%22search%22%3A%22hr+2958%22%7D&s=2&r=1> (April 17, 2025).

“ERIC applauds legislation bringing transparency and accountability to the Employee Benefit Security Administration,” https://www.eric.org/press_release/eric-applauds-legislation-bringing-transparency-and-accountability-to-the-employee-benefit-security-administration/ (April 29, 2025).

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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