

Publications

A Closer Look at Biden Administration's New ESG Rule

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In their [September 401\(k\) Specialist column](#), Groom's [George Sepsakos](#) and [Jacob Eigner](#) highlighted a proposed rule by the Biden Administration regarding the ability of plan sponsors of qualified retirement plans under ERISA to consider Environmental, Social, and Governance (ESG) factors as part of a prudent investment process. On November 22, 2022, the Biden Administration Department of Labor ("DOL") released "Prudence and Loyalty in Selecting Plan Investments and Exercising Shareholder Rights", (the "Rule") which they briefly summarized in their latest 401(k) Specialist article, "A Closer Look at Biden Administration's New ESG Rule."

Whether and when the consideration of ESG factors may be part of a prudent process by a fiduciary of an ERISA plan has been the subject of many formal and informal rulemaking processes by the DOL over the previous decades. The Rule is the latest chapter in such rulemaking.

To read the article, [click here](#).