AMERICAN RETIREMENT ASSOCIATION
Working for America's Retirement

DEPARTMENT OF LABOR
INVESTMENT SELECTION RULE

Support the Department of Labor's proposed Investment Selection Rule.

WHY THE DOL'S INVESTMENT SELECTION RULE MAKES SENSE

Let Retirement Fiduciaries Do Their Job

The Department of Labor has proposed a new rule to help the people who manage workplace retirement plans, like **401(k) plans**, make smart decisions for workers saving for retirement.*

THE RULE IS SIMPLE: It does *not* tell retirement plans what they must invest in. Instead, it gives retirement plan fiduciaries — the people who manage plans — clearer guidance on how to evaluate investments carefully and responsibly.

The proposal says retirement plan managers should consider common-sense questions that responsible managers already ask today:

- **How has the investment performed?**
- **What are the fees?**
- **Can workers access their money when needed?**
- **Is the investment easy to value and monitor?**

Key Benefits of the Proposal

Keeps Politics Out of Retirement Plans

The rule does not favor or ban any type of investment. It **does not require** plans to invest in private equity, crypto, ESG funds, or any other specific investment.

Helps Protect Workers' Savings

Plan managers already have a high legal duty to act in workers' best interests. This rule does not reduce that obligation — it **reinforces** it.

Gives Employers Clearer Guidance

Many employers want clearer guidance for how to review and monitor investments responsibly. This proposal helps **provide that clarity**.

Creates a Process, Not a Mandate

The rule **does not require** plans to offer any particular product. It simply explains how plans should evaluate investments carefully and consistently.

★ ★ ★

America's retirement system works best when retirement fiduciaries — not politicians — make investment decisions based on workers' needs and long-term security.

The Department of Labor's proposed **Investment Selection Rule** supports that goal by promoting clear, responsible, and asset-neutral decision-making.

**Source: Fiduciary Duties in Selecting Designated Investment Alternatives, 91 Fed. Reg. 16088 (Mar. 31, 2026).*

The **American Retirement Association (ARA)** is a non-profit education organization for retirement plan professionals. Our mission is to support policies that give every working American the ability to have a comfortable retirement.

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