Nationwide Retirement Solutions

# Legislative and Regulatory Report

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

## October 2023

### Inside this issue

### House of Representatives elects new speaker

On Wednesday, October 25, Congressman Mike Johnson (R-LA) was elected Speaker of the House by a vote of 220-209. The new Speaker previously served as the Caucus Vice Chair and was a member of the Judiciary and Armed Services Committees. Speaker Johnson was a founding member of the Civility Caucus and is in his fourth term in Congress. During his remarks from the Chair on Wednesday, he focused on support of Israel, U.S. border security and reining in federal spending as policy priority areas. One of the new Speaker's first challenges will be to resolve government funding before the November 17 deadline while also ramping up all his necessary policy, leadership and campaign operations.

### Retirement Savings for Americans Act (RSAA) reintroduced

Senators John Hickenlooper (D-CO) and Thom Tillis (R-NC), along with Reps. Lloyd Smucker (R-PA) and Terri Sewell (D-AL), reintroduced their Retirement Savings for Americans Act on Thursday, October 19. The legislation is intended to provide access to a retirement savings account for those who lack access to a workplace plan by creating a federal Thrift Savings Plan (TSP)-like program. While we welcome their interest in improving retirement outcomes for Americans, Nationwide believes the private sector is fully capable of providing options to save. We are collaborating with the bill sponsors to explore how the federal government can further incentivize retirement savings without becoming a competitor to the private sector. The significant cost of this program (an estimated $40 billion annually) is expected to keep this proposal sidelined for now.

## Department of Labor releases latest fiduciary proposal

On Tuesday, October 31, the U.S. Department of Labor released the "Retirement Security Rule," which is the latest version of the Department's fiduciary rule. The rollout of the proposal occurred at an afternoon event at the White House, where the speakers were DOL Acting Secretary Julie Su, AARP CEO Jo Ann Jenkins and President Joe Biden. The President's remarks were very disparaging of annuities and the role of advisors in retirement savings, alleging that much of the sales practices are "unscrupulous" and that the costs of products are best described as "junk fees." Nationwide, along with our industry peers and trade groups, will work to provide substantive comments on the proposed rule while simultaneously working to educate members of Congress and the Administration on the real and harmful impacts that this proposal would have on retirement savers. A cross-functional working group has been formed and will guide Nationwide's engagement through the comment period, which is expected to close on or around January 2, 2024.

## References and source material used in this publication

"Congressman Mike Johnson Elected Speaker of the House," house.gov/feature-stories/2023-10-25-new-speaker-of-the-house (Oct. 25, 2023).

"Hickenlooper, Tillis, Smucker, Sewell, Reintroduce Bill to Help Americans Save for Retirement," hickenlooper.senate.gov/press_releases/hickenlooper-tillis-smucker-sewell-reintroduce-bill-to-help-americans-save-for-retirement (Oct. 19, 2023).

US Department of Labor Announces Proposed Rule to Protect Retirement Savers' Interests by Updating Definition of Investment Advice Fiduciary," dol.gov/newsroom/releases/ebsa/ebsa20231031 (Oct. 31, 2023).

## 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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