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**Attorney General Steve Marshall Joins 25 State Lawsuit on
New Labor Rule Allowing Managers to Direct Their
Clients' Retirement to ESG Investments**

(MONTGOMERY) – Attorney General Steve Marshall joined 24 other attorneys general last week in a lawsuit over a Department of Labor rule that would threaten the retirement accounts of millions of people.

The rule would allow 401(k) managers to direct their clients' money to ESG (Environmental, Social, & Governance) investments and undermine the protections for retirees outlined in the Employee Retirement Income Security Act of 1974 (ERISA).

“Yet again, the Biden Administration is attempting to promote its radical climate agenda at the expense of everyday Americans and their hard-earned money,” Attorney General Steve Marshall continued. “With growing fears of a possible recession and rampant inflation, it is unconscionable to permit asset managers to risk trillions of dollars in working-class Americans' retirement savings in pursuit of an unrealistic and radical environmental agenda. And that is exactly what the Biden Administration intends to do.”

The new rule, “Prudence and Loyalty in Selecting Plan Investments and Exercising Shareholder Rights,” will take effect on January 30, 2023. The rule affects two-thirds of the U.S. population's retirement savings accounts, impacting 152 million American workers and \$12 trillion in assets. The strict laws placed in ERISA are intended to protect retirement savings from unnecessary risk. And by making it easier for advisors to invest based on their political goals rather than their clients' financial goals, the Biden Administration places Americans' retirement savings at risk.

The complaint states, “[T]he 2022 Investment Duties Rule makes changes that authorize fiduciaries to consider and promote ‘nonpecuniary benefits’ when making investment decisions. Contrary to Congress’s clear intent, these changes make it easier for fiduciaries to act with mixed motives. They also make it harder for beneficiaries to police such conduct.”



The 24 other states joining the lawsuit are Alaska, Arkansas, Florida, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Mississippi, Missouri, Montana, Nebraska, New Hampshire, Ohio, South Carolina, North Dakota, Tennessee, Texas, Utah, Virginia, West Virginia, and Wyoming.

Read the full complaint [here](#).