

MEMO# 32625

July 21, 2020

Joint Trade Group Sends Letter to DOL Requesting Extension of Comment Period on ESG Proposal

[32625]

July 21, 2020 TO: ICI Members

ESG Task Force (Global)

ESG Working Group (US)

Pension Committee

Pension Operations Advisory Committee SUBJECTS: ESG

Pension RE: Joint Trade Group Sends Letter to DOL Requesting Extension of Comment Period on ESG Proposal

The Institute, along with six other trade associations,[\[1\]](#) sent the attached letter to the Department of Labor (DOL) requesting that they extend the deadline for comment for the proposal on Financial Factors in Selecting Plan Investments.[\[2\]](#) As we reported earlier, the Proposal is intended to clarify DOL's stance on environmental, social and governance (ESG) considerations in investments for retirement plans. The joint letter explains that the Proposal would have significant impacts on the selection of all plan investments, and that it deserves more time for analysis to avoid unintended consequences.

The letter notes that, unlike DOL's other current regulatory projects with similarly short comment deadlines, the proposed changes to this regulation have not received significant prior input. DOL's other proposals (e.g., recent regulation on electronic delivery, RFI on multiple employer plans including pooled employer plans or PEPs, and the proposed fiduciary prohibited transaction class exemption) build on longstanding public policy issues for which DOL has sought public input many times, whereas the changes proposed here call for thoughtful consideration that takes additional time.

The current deadline for comments is July 30, which is 30 days after publication of the Proposal. The joint trade letter requested an additional 30 days to provide comment.

Shannon Salinas

Assistant General Counsel - Retirement Policy

[Attachment](#)

endnotes

[1] The other signatories to the letter include American Bankers Association (ABA), Defined Contribution Institutional Investment Association (DCIIA), the Investment Adviser Association (IAA), Insured Retirement Institute (IRI), the Securities Industry and Financial Markets Association (SIFMA), and the SPARK Institute.

[2] For a description of the Proposal, see ICI Memorandum No. 32552, dated June 24, 2020, available at https://www.ici.org/my_ici/memorandum/memo32552.

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