



Legislative and Regulatory Report

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

March 2024

Inside this issue

House Passes Financial Services Package.....	1
DOL Sends Fiduciary Rule to OMB.....	1
President Biden Releases FY25 Budget Request.....	2
Senate Democrats Send Letter of Support to DOL.....	2

House Passes Financial Services Package

On March 8, the House voted to pass H.R. 2799, the [Expanding Access to Capital Act](#) of 2023, by a vote of 212-205. The bill includes amendments directing the Securities and Exchange Commission to issue rules permitting the electronic delivery of certain required disclosures and an amendment allowing 403(b) plans to invest in collective investment trusts (CITs) and unregistered insurance contracts. The Senate is not expected to take up the legislation this Congress, but this bill or certain components could potentially move in 2025 depending on the outcome of the election.

DOL Sends Fiduciary Rule to OMB

On March 8, the Department of Labor (DOL) sent its final fiduciary rule to the Office of Management and Budget (OMB) for [review](#). While the review process could take up to 60 days, expectations are for a quicker turnaround with minimal changes anticipated.

Tip: Click on highlighted words to go to the topic being discussed.

FOR PLAN SPONSOR USE

Information presented in this newsletter was current and accurate as of the date of publication. This information is of a general and informational nature and is NOT INTENDED TO CONSTITUTE LEGAL OR INVESTMENT ADVICE. Rather, it is provided as a means to inform you of current information about legislative and regulatory changes and other information of interest. Plan Sponsors are urged to consult their own counsel regarding this information.

President Biden Releases FY25 Budget Request

On March 11, President Biden unveiled his administration's [budget](#) request for the 2025 fiscal year (FY25), commencing October 1, 2024. The FY25 request includes \$895 billion in defense spending and \$770 billion in non-defense discretionary spending. The White House estimates the FY25 request would reduce the government deficit by almost \$3.3 trillion over the next 10 years. Some deficit reduction measures include increasing the tax rate for C corporations from 21 percent to 28 percent, limiting the tax benefits for private placement life insurance (PPLI) and annuity contracts, and imposing special distribution rules on high-income taxpayers with large retirement account balances. Presidential budgets are aspirational in nature and are often used for political messaging purposes. Should Democrats regain unified control of the White House and Congress, these proposals may offer a road map for future legislative action.

Senate Democrats Send Letter of Support to DOL

On March 26, Senators John Fetterman (D-PA), Cory Booker (D-NJ), Sheldon Whitehouse (D-RI), Peter Welch (D-VT), Brian Schatz (D-HI), Elizabeth Warren (D-MA), Bernie Sanders (I-VT), Ed Markey (D-MA), and Laphonza Butler (D-CA) expressed their support for the Department of Labor's (DOL) fiduciary rule in a [letter](#). They highlighted the DOL's authority under ERISA, voiced concerns about the NAIC's Best Interest Rule, and stressed the importance of safeguarding the interests of retirement savers. This unified stance comes as we await the DOL's final fiduciary rule.

References and source material used in this publication

"H.R.2799 – Expanding Access to Capital Act of 2023," <https://www.congress.gov/bill/118th-congress/house-bill/2799> (March 8, 2024).

"Pending EO 12866 Regulatory Review," <https://www.reginfo.gov/public/do/eoDetails?rrid=441663> (March 8, 2024).

"President's Budget," <https://www.whitehouse.gov/omb/budget/> (March 11, 2024).

"Fetterman, Colleagues Send Letter to DOL & OMB in Support of Proposed Retirement Security Rule," <https://www.fetterman.senate.gov/press-releases/fetterman-colleagues-send-letter-to-dol-omb-in-support-of-proposed-retirement-security-rule/> (March 26, 2024).

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.



Nationwide and the Nationwide N and Eagle are service marks of Nationwide Mutual Insurance Company. © 2024 Nationwide
NRM-22489AO (04/24)