



June 25, 2025

U.S. House Committee on Education and Workforce
2176 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Walberg and Members of the Committee,

On behalf of Ceres, Freedom to Invest, and our Investor Network members, comprised of institutional investors, we write in firm opposition to H.R. 2988 – the *Protecting Prudent Investment of Retirement Savings Act* due to it limiting fiduciaries' ability to incorporate material financial risks into investment decisions.

This legislation would codify a controversial 2020 Department of Labor (DOL) rule that prohibited the consideration of extreme weather events and other risk factors by ERISA plan sponsors, even when those factors affect investment performance. Investors [overwhelmingly opposed](#) the rule at the time.

In 2023, a new DOL rule took effect, *Prudence and Loyalty in Selecting Plan Investments and Exercising Shareholder Rights*. This rule clarified that ERISA fiduciaries may consider any factors relevant to investment risk and return, including the economic effects of extreme weather, when making investment decisions. The 2023 rule restored the government's neutral stance on fiduciaries' ability to consider any factors relevant to investment risk and return. Additionally, the rule was upheld twice by a judge in Texas who was appointed by President Trump. Following that failure in court, the DOL recently notified the Fifth Circuit Court of Appeals that it will undertake rulemaking to formally rescind the 2023 rule.

H.R. 2988 defines specific risks as “non-pecuniary” factors. It is highly improper for the federal government to tell fiduciaries which risks they may or may not consider. Deeming certain risk categories as “non-pecuniary” is an unnecessary political incursion into evolving private markets. For instance, cybersecurity used to be considered a non-pecuniary factor, but cyber risks now undeniably pose risks to companies' operations and financial performance. Politicians should not be in the business of telling professional investors how to do their jobs. Many of the topics that are deemed “non-pecuniary” in the proposed legislation present real investment risks that fiduciaries must be empowered to consider if they so choose. Their clients depend on them to consider these factors to maximize returns and protect their investments from systemic risks.

Fiduciaries are already required to invest with their clients' best interests in mind. Creating a situation where they cannot consider certain data or factors is like asking a baseball



player to go to bat with a blindfold on. This legislation is no more fair than a bill saying an investor must consider certain issues – whether that be extreme weather risk or a company’s position on the right to life. The appropriate stance for the government to take is neutrality: allow fiduciaries to consider all financially relevant risk factors, consistent with ERISA, and do not mandate, prohibit, encourage, or discourage any particular type of investment. This bill, rather than allowing fiduciaries to use their best professional judgment to make investment decisions, would insert the government into private markets and introduce burdensome new compliance requirements, raising costs for retirement plans and their beneficiaries.

Our message is simple – let the free market work the way it is supposed to. Investors rely on data and information to make responsible decisions with their clients' money. Harming their ability to consider all relevant risk factors is anti-free market and will cause harm to long-term financial returns.

Sincerely,

Andrew Collier
Director, Freedom to Invest
Ceres