

February 27, 2023

Dear Members of the U.S. House of Representatives:

US SIF, US Impact Investing Alliance, Impact Capital Managers and the Investor Center for Corporate Responsibility (ICCR) urge you to vote against House Joint Resolution 30 (H.J. Res 30), the Congressional Review Act (CRA) Resolution to overturn the U.S. Department of Labor's (DOL) final rule on "Prudence and Loyalty in Selecting Plan Investments and Exercising Shareholder Rights."

Forty-three investors with \$156 billion in assets under management (signatories below) believe the final rule is a sensible policy allowing retirement plan fiduciaries to consider all financially relevant information when making investment decisions. The rule thus benefits plan beneficiaries.

The final rule does not mandate the consideration of environmental, social and governance (ESG) criteria, as proponents of the CRA suggest. In fact, the rule re-affirms ERISA's long-standing principle that the duties of prudence and loyalty require ERISA plan fiduciaries to focus on relevant risk-return factors and not subordinate the interests of participants and beneficiaries such as by sacrificing investment returns or taking on additional investment risk.

Specifically, the rule makes clear that:

- 1) A fiduciary's determination of an investment or investment course of action **must** be based on factors that **the fiduciary reasonably determines to be relevant** to a risk and return analysis;
- 2) Fiduciaries do not violate their duty of loyalty by taking **plan participants' preferences into account** when constructing a menu of plan options for participant-directed individual account plans; and
- 3) The fiduciary duty to manage a plan **includes the management of shareholder rights** connected to shares of stock, such as the right to vote proxies.

A 'yes' vote on the CRA will reverse these modest provisions and re-instate the previous administration's ill-defined and unworkable "pecuniary/non-pecuniary" rules. This will exacerbate the policy pendulum that perpetuates uncertainty in the retirement marketplace and likely shrink the options available to plan participants.

We strongly urge you to vote against the CRA and allow the DOL final rule to remain in effect.

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As You Sow
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Vestal, NY

Bair Financial Planning
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Blueprint Financial, LLC
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Boston Trust Walden
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Change Finance
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Church Investment Group
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Clean Energy Ventures (CEV)
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Deliberate Capital, LLC
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Domini Impact Investments, LLC
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Ecosystem Integrity Fund (EIF)
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Everence and the Praxis Mutual Funds
Goshen, IN

Figure 8 Investment Strategies
Boise, ID

First Affirmative
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Healing Living Systems, Inc.
Berkeley, CA

Horizons Sustainable Financial Services,
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Impact Capital Managers
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Impact Engine
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Impact Investors
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Natural Investments
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New Markets Venture
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Quantum Financial Planning LLC
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Reese & Associates
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Rethink Capital Partners
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Riverwater Partners
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Sustainable Advisors Alliance, LLC
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SustainVC
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Terra Alpha Investments
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Terra Blue Wealth Management
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The Builders Fund
San Francisco, CA / Salt Lake City, UT

The Sustainability Group of Loring, Wolcott
& Coolidge
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Tobacco Free Portfolios
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Trillium Asset Management
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