

# The Protecting Americans' Investments from Woke Policies Act

# H.R. 5339 FACT SHEET

## THE PROBLEM

**The Biden-Harris administration is putting the retirement security of millions of Americans at risk.**

- The administration implemented a rule that enables and encourages retirement plan fiduciaries to consider or choose investments based on environmental, social, and governance (ESG) factors. This is irresponsible because ESG funds are notorious underperformers and relatively high-risk, leaving the futures of retirees less secure.
- Advancing a radical political agenda at the expense of retirement savers is wrong. Americans invest to secure a brighter future for themselves and their families, not to bankroll Democrats' radical initiatives and pet projects.

## THE SOLUTION

- Republicans are committed to protecting the retirement savings of workers, retirees, and their families. The bills included in **H.R. 5339, the *Protecting Americans' Investments from Woke Policies Act***, seek to ensure financial institutions are focused on maximizing returns in retirement plans rather than on woke ESG factors. They are:
  - **Rep. Allen's *Roll back ESG To Increase Retirement Earnings (RETIRE) Act***
    - Clarifies that financial institutions must base decisions on an investment solely on economic factors.
  - **Rep. Houchin's *Retirement Proxy Protection Act***
    - States that the decision to exercise a shareholder right is subject to the prudence and loyalty duties under the *Employee Retirement Income Security Act (ERISA)*.
    - States that proxies held by ERISA plans must be voted in the economic interest of the plan, not used to advance radical policies.
  - **Rep. Good's *No Discrimination in My Benefits Act***
    - Declares that race, color, religion, sex, or national origin may not be taken into consideration when selecting a fiduciary, counsel, employee, or service provider of an ERISA plan.
  - **Rep. Banks' *Providing Complete Information to Retirement Investors Act***
    - Implements a notice requirement on defined contribution plans explaining the difference between choosing from investments selected by ERISA fiduciaries and choosing from investments through a brokerage window.

