Congressional Budget Office
Cost Estimate

September 4, 2024

H.J. Res. 142, a joint resolution providing for Congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Department of Labor relating to ''Retirement Security Rule: Definition of an Investment Advice Fiduciary''

As ordered reported by the House Committee on Education and the Workforce on July 10, 2024

By Fiscal Year, Millions of Dollars	2024	2024-2029	2024-2034
Direct Spending (Outlays)	0	0	0
Revenues	0	*	*
Increase or Decrease (-) in the Deficit	0	*	*
Spending Subject to Appropriation (Outlays)	0	*	not estimated

Increases *net direct spending* in any of the four consecutive 10-year periods beginning in 2035?	No	Statutory pay-as-you-go procedures apply?	Yes
		Mandate Effects	
Increases *on-budget deficits* in any of the four consecutive 10-year periods beginning in 2035?	*	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

* = between -$500,000 and $500,000.

H.J. Res. 142 would disapprove a final rule published by the Department of Labor in April 2024.[1] By invoking a legislative process established in the Congressional Review Act, the resolution would repeal the rule and prohibit the agency from issuing the same or any similar rule in the future.

The rule significantly increases the number of financial services providers that must act as fiduciaries when providing advice about retirement plans and decisions. Under that standard, advisers must act solely in the best interest of plan participants and beneficiaries.

Repealing the rule is likely to increase fees paid by investors and may affect the types of investments held in retirement plans. Therefore, enacting H.J. Res. 142 could change the income received by firms and individuals, and as a result, the taxes paid by those entities.

1. Department of Labor, "Retirement Security Rule: Definition of an Investment Advice Fiduciary," Final Rule, 89 *Fed. Reg.* (April 25, 2024), https://tinyurl.com/46xv3pfb.

However, CBO and the staff of the Joint Committee on Taxation estimate that any changes in total federal revenue from enacting the resolution would be insignificant.

CBO estimates that the administrative costs for the Department of Labor to implement the resolution would be insignificant. Any related spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Noah Meyerson. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

Phillip L. Swagel
Director, Congressional Budget Office