

DOL To End Its Defense of the 2024 Retirement Security Fiduciary Rule

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PRACTICES Employee Benefits and Executive Compensation

The DOL recently informed the U.S. Court of Appeals for the Fifth Circuit that it will no longer defend its 2024 final rule defining when a person is providing fiduciary investment advice to ERISA plan sponsors, ERISA plan participants, individual retirement accounts (“**IRAs**”), and IRA owners or beneficiaries (the “**2024 Fiduciary Rule**”). As we previously reported [here](#), the 2024 Fiduciary Rule was challenged as part of two separate Texas lawsuits resulting in a delay of the rule’s implementation.

As background, the lawsuits were brought by the Federation of Americans for Consumer Choice and the American Council of Life Insurers. The plaintiffs generally argued that the 2024 Fiduciary Rule provided an overbroad definition of “investment advice fiduciary” and that the rule was an “arbitrary and capricious” exercise of the DOL’s regulatory power.

The DOL’s decision to not defend the 2024 Fiduciary Rule is the latest development in a more than decade-long effort by the DOL to replace the 1975 definition of an investment advice fiduciary, which continues to apply. As we previously reported [here](#), pursuant to its Spring 2025 Regulatory Agenda, the DOL has indicated that it plans to issue a new fiduciary rule, so we will continue to monitor developments in this area.