

U.S. Rep. Gallagher: Introduces bill banning new ERISA investments in adversary-tied firm

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WASHINGTON, D.C. — Rep. Mike Gallagher (R-WI) and Rep. Jim Banks (IN-03) today introduced the Protecting Americans' Retirement Savings Act (PARSA), which would block private pension plans under the Employee Retirement Income Security Act (ERISA) from making new investments in companies controlled by or based in our foreign adversaries. It would also require the disclosure of existing investments in other foreign adversary and sanctioned entities.

*"This is a no-brainer," **said Rep. Gallagher.** "Americans' 401(k)s and other employer retirement plans should not fuel our own destruction by funding adversary defense companies, nor should they be invested in companies that engage in gross human rights abuses like the ongoing Uyghur Genocide."*

*"Several states, including my home state of Indiana, divested their pension funds from China, but federally regulated ERISA plans continue to fund firms that are building up the People's Liberation Army, stealing U.S. intellectual property and participating in the Uyghur genocide," **said Rep. Banks.** "The goal of the Select Committee on China was to put the House at the front of the fight against Communist China, and I'd like to thank Congressman Gallagher for supporting my critical bill to do just that."*

The PARSA Act would force retirement accounts governed by ERISA, including 401(k) plans, employer-provided pensions, deferred compensation plans and profit sharing plans to:

- **End future investments and certain transactions with companies**

based in or otherwise directed or controlled by foreign adversaries (“foreign adversary entities”).

- “Foreign adversary” refers to Iran, North Korea, Russia and China.
- Fiduciaries of ERISA plans may not acquire any interest in, lend money to, engage in transactions with, or transfer plan data to any foreign adversary entities.
- Does not require divestment of existing investments or breaching existing contracts.
- **Disclose continuing investments in such entities and sanctioned firms.**
- Fiduciaries of ERISA plans must make the following additional disclosures:
 - A statement of all assets in a sanctioned entity, including the identity of the sanctioned entity and the reasoning for its being sanctioned;
 - The aggregate value of, and specific investments in, any foreign adversary entity, and the investment vehicle through which the plan holds such investment; and
 - A statement of the reasoning for why the fiduciary continues holding such investments.

Read the bill text [HERE](#).