



Plan Sponsor e.Brief | ERISA Prudence Under the DOL's Proposed Designated Investment Alternative Rule

On March 30, 2026 the Department of Labor (DOL) released proposed regulations titled ["Fiduciary Duties in Selecting Designated Investment Alternatives."](#)

It is important to note that this proposal extends beyond alternative assets. Any investment offered within a retirement plan is considered a *Designated Investment Alternative* (DIA).

What is it?

The proposed rule introduces a process-based safe harbor by detailing an objective, thorough, analytical approach that plan fiduciaries can use to demonstrate prudence when selecting plan investments. Building on the DOL's 1979 Investment Duties regulation, the proposal identifies six core factors for fiduciaries to consider:

1. Performance
2. Fees
3. Liquidity
4. Valuation
5. Benchmarking
6. Complexity

The proposed regulation discusses *alternative assets*, including those related to private equity, private debt, private real estate, digital assets, commodities, infrastructure, and lifetime income investment strategies. It outlines examples of how a plan fiduciary could evaluate these investments using the factors above as part of a prudent selection process. The proposal does not require plan fiduciaries to include or consider alternative assets. Traditional investment menus remain acceptable.



Why the Ruling Matters

The proposed rule reinforces an established principle: serving as a fiduciary does not mean predicting market movements or making flawless decisions.

ERISA does not expect perfection. It expects a disciplined decision-making process grounded in thoughtful analysis, informed judgment, and the exclusive best interest of participants and their beneficiaries.

The rule's investment-neutral approach reinforces the importance of fiduciary discretion and the value of:

- Written investment policies and procedures
- Documented evaluations against objective criteria
- Ongoing monitoring and benchmarking
- Clear committee records

What's Next?

The proposed rule now enters a 60-day comment period.

CAPTRUST will continue to monitor this proposal and share updates as the rulemaking process advances and the regulation is finalized.

For more information, contact your CAPTRUST financial advisor.

This content is provided for educational purposes only.

Source: [US Department of Labor proposes landmark rule to democratize access to alternative investments in 401\(k\) plans | U.S. Department of Labor](#)

Legal Notice

This material is intended to be informational only and does not constitute legal, accounting, or tax advice. Please consult the appropriate legal, accounting, or tax advisor if you require such advice. The opinions expressed in this report are subject to change without notice. This material has been prepared or is distributed solely for informational purposes. It may not apply to all investors or all situations and is not a solicitation or an offer to buy any security or instrument or to participate in any trading strategy. The information and statistics in this report are from sources believed to be reliable but are not guaranteed by CAPTRUST Financial Advisors to be accurate or complete. All publication



CAPTRUST

rights reserved. None of the material in this publication may be reproduced in any form without the express written permission of CAPTRUST: 919.870.6822.

© 2026 CAPTRUST Financial Advisors