Life Security Agency

AL BERNHAGEN

Subject: Comment RE: RIN 1210-AB79

April 14, 2017

Office of Regulations and Interpretations
Employee Benefits Security Administration
U.S. Department of Labor,
Room N-5655,
200 Constitution Avenue NW,
Washington, DC 20210
Attention: Fiduciary Rule Examination

RE: RIN 1210-AB79

I am writing to express my concern about the confusion my clients are currently experiencing because of the uncertainty that exists because of the Department of Labor's Fiduciary Rule. The Fiduciary Rule makes sweeping changes to the existing regulatory framework that will ultimately make it harder for savers to plan for retirement and will deprive them of access to affordable, holistic financial advice as well as a wide range of investment options.

The Fiduciary Rule is already hurting my clients' ability to save for the future. Some firms have already announced – even before the Rule becomes applicable – that they will be limiting product choice and reducing web-based financial education tools, leaving clients without easily-accessible investment information. My clients now will have different product offerings, different services and different arrangements once the Rule goes into effect. They need ample time to absorb these changes and re-evaluate their investment choices.

As a financial services professional, I support a best interest standard of care for financial professionals where my clients' interests are put first and I would note that the industry has already taken extensive steps to move in that direction. However, the Fiduciary Rule is the wrong approach. It will limit retirement investor choice, increase litigation and interfere with retirement education.

Although the Department of Labor has granted a 60-day delay in the applicability date of the Rule, it is imperative that the Department take immediate action to extend the delay of the applicability of all provisions of the Rule beyond the current date of June 9, 2017, including the impartial conduct standards and the definition of a fiduciary, to at least January 1, 2018. This additional time is needed for the Department to have sufficient time to thoroughly and thoughtfully examine, analyze and assess all questions of law and policy raised by the Rule and update the economic analysis of the Rule in accordance with the President's memorandum of February 3, 2017. The President's memorandum directed the Department to undertake this examination of the Rule based upon well-founded, ongoing and significant concerns about its impact on retirement savers.

Therefore, I am asking the Department to act expeditiously to extend the delay it has provided for some parts of the Rule to all the parts of the Rule so that policymakers will have the time they need to examine, analyze and assess the Rule in accordance with the President's memorandum. This extended delay will help give time to the Department to undertake a full-scale review of all the substantive questions of law and policy and develop an updated economic analysis of the Rule's impact.

If you review complaints by clients, you will see that the Brokerage House Representatives have the highest number of complaints. Insurance Advisors usually live in the towns they work and have always used the best products for their clients, if not they don't have a negotiation panel. The Insurance Commissioner of each state reviews the complaint in weeks and rules.

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Furthermore, it will allow the Department to determine whether this is the appropriate policy to accomplish the intended goal. Most importantly, the delays will also help to ensure that consumers will not be confused and will be able to continue to access affordable financial advice without suffering the negative consequences of the Rule.

Thank you for your attention to this critical issue.

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