Independent Insurance Agents
& Brokers of America, Inc.

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September 13, 2017

Office of Exemption Determinations
Employee Benefits Security Administration
Attention: D-11712, 11713, 11850
U.S. Department of Labor (DOL)
200 Constitution Avenue, NW, Suite 400
Washington, DC 20210

SUBMITTED VIA www.regulations.gov

Re: Comments on Proposal to Extend the Transition Period and Delay of Applicability Dates Related to Proposed Amendments to PTE 2016-01, PTE 2016-02, and PTE 84-24 (RIN 1210-ZA27)

To Whom It May Concern:

On April 8, 2016, the DOL published in the Federal Register a regulation commonly referred to as the "fiduciary rule." The rule defines who is a ''fiduciary'' when giving investment advice related to employee benefit plans governed by the Employee Retirement Income Security Act of 1974 (ERISA) and certain Individual Retirement Accounts (IRAs). In conjunction with the fiduciary rule in April 2016, the DOL issued certain exemptions to the rule such as the Best Interest Contract (BIC) exemption and the Prohibited Transaction Exemption (PTE) 84-24.

On February 3, 2017, President Trump issued an executive order directing the Department to examine the above referenced fiduciary rule. Pursuant to the order, the DOL partially delayed the fiduciary rule and now seeks information on a proposal to delay implementation of additional parts of the rule and the accompanying exemptions through July 1, 2019.

The Independent Insurance Agents and Brokers or America (IIABA) supports the Department's proposal to extend the transitional period for the rule and further delay applicability dates for some portions of the rule. Given that the DOL is considering additional changes to the fiduciary rule and its class exemptions, delaying the upcoming January 1, 2018 implementation deadline by at least an additional 18 months is of the utmost importance. In addition, IIABA suggests that dependent on the Department's final disposition on potential changes to the fiduciary rule and class exemptions associated with the rule the DOL should consider further delays to the rule in conjunction with any proposed changes. The scope of further delays should be dependent on the scope of future potential changes.

IIABA is the nation's oldest and largest trade association of independent insurance agents and brokers, and we represent a nationwide network of approximately a quarter of a million agents, brokers and employees. IIABA represents independent insurance agents and brokers who offer customers a choice of policies from a variety of insurance companies across all lines of insurance—property, casualty, life, health, employee benefit plans and retirement products. These broad offerings allow IIABA members to assess the financial needs of their customers on a holistic basis.

IIABA members are for the most part small and medium sized businesses. For those IIABA members that sell and service products impacted by the fiduciary rule, annuities are the most common retirement product offered, though some IIABA members also offer non-insurance financial services products such as mutual funds. Many IIABA members work through independent marketing organizations (IMOs) to be able to deliver annuities to consumers.[1] Some IIABA members also work as registered representatives of independent broker-dealers or are dually registered as investment advisors and broker-dealers to provide retirement products and advice to consumers. Finally, some IIABA members help consumers with HSAs as part of their health insurance practice, and are also impacted by the rule in that manner.

In conclusion, IIABA strongly supports delaying the January 1, 2018 compliance deadline for the rule as noted above. IIABA also reiterates its support for delays to the rule and the reasoning for such support expressed in the Association's multiple previous comment letters on this issue.[2] IIABA would like to thank you for the opportunity to express the views of independent insurance agencies on this issue. Please contact our office at (202) 863-7000 should you wish to have additional information regarding our comments.

Sincerely,

Jennifer M. Webb
Counsel, Federal Government Affairs

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[1] For more information see, IIABA Comment Letter to DOL on the Best Interest Exemption for Insurance Intermediaries RIN 1210-ZA26 (Feb 17, 2017).

[2] For more information see,

- IIABA Comment Letter on the Proposed rule to extend the applicability date defining who is a "fiduciary" under the Employee Retirement Income Security Act (ERISA) and the Internal Revenue Code of 1986 (Code), and the applicability date of related prohibited transaction exemptions including the Best Interest Contract Exemption (BICE) and amended prohibited transaction exemptions (collectively PTEs) to address questions of law and policy RIN 1210-AB79 (March 6, 2017).
- IIABA Comment Letter on defining who is a "fiduciary" related to the President's February 3, 2017 Executive Order RIN 1210-AB79. (April 17, 2017).
- IIABA Comment Letter on Request for Information Regarding the Fiduciary Rule and Prohibited Transaction Exemptions RIN 1210-AB82/ESBA-2017-0004-000 (July 21, 2017).
- IIABA Comment Letter on Request for Information Regarding the Fiduciary Rule and Prohibited Transaction Exemptions RIN 1210-AB82/ESBA-2017-0004-000 (August 3, 2017).