May 5, 2015

Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

RE: RIN 1210–AB32 – Request of comment deadline extension for the “Definition of the Term ‘Fiduciary’; Conflict of Interest Rule—Retirement Investment Advice” and associated proposed exemptions

The National Federation of Independent Business (NFIB) requests that the Employee Benefits Security Administration (EBSA) extend the comment period for the “Definition of the Term ‘Fiduciary’; Conflict of Interest Rule—Retirement Investment Advice” and associated proposed exemptions (proposed rules) published in the April 20, 2015 edition of the Federal Register. Specifically, NFIB asks for a 45-day extension of the comment period.

NFIB is the nation’s leading small business advocacy association, representing members in Washington, DC, and all 50 state capitals. Founded in 1943 as a nonprofit, nonpartisan organization, NFIB’s mission is to promote and protect the right of its members to own, operate, and grow their businesses. NFIB represents about 350,000 independent business owners who are located throughout the United States.

After an initial reading of the proposed rules, it is clear that these proposals are likely to have a substantial impact on small businesses. We are concerned that the changes to the definition of fiduciary could dramatically transform the way in which third-party investment advisors and retirement benefit providers deliver services to small businesses and their employees. The result could be that these advisors and providers are no longer able to offer these services to small businesses in an affordable manner. Consequently, it is the employees of these small businesses – the very individuals these rules purport to benefit – that stand to lose access to retirement benefits. In addition, if small businesses cannot offer retirement benefits they will be less competitive with larger businesses, thus hurting innovation and job opportunities for everyone.

A 45-day extension of the comment period would provide for 120 days for the public to comment. NFIB will use that time to analyze the impact of the proposed rules on its membership. Due to the complex nature of the proposals, 120 days should provide enough time for NFIB to digest them, examine past research on member use of such advisors and providers, determine if new research is necessary and feasible, and finally communicate directly with members for feedback on the proposed rules’ impact. Unfortunately, the current 75-day comment period is simply too brief to conduct the above examination. We believe more time would allow us to adequately comment on the proposals to the benefit of EBSA.
We appreciate EBSA’s consideration of this request. We look forward to the opportunity to provide the agency with important information on how the proposed rules will impact small businesses and their ability to provide retirement benefits to their employees. Should EBSA require additional information, please contact the NFIB’s senior manager of regulatory policy, Dan Bosch, at 202-314-2052.

Sincerely,

Amanda Austin
Vice President, Public Policy
NFIB