



STATE OF UTAH

GARY R. HERBERT
GOVERNOR

OFFICE OF THE GOVERNOR
SALT LAKE CITY, UTAH
84114-2220

SPENCER J. COX
LIEUTENANT GOVERNOR

August 20, 2015

The Honorable Thomas Perez
Secretary
United States Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210

Dear Mr. Secretary:

As governor of the state of Utah, I write today to express my concern about the U.S. Department of Labor's recently proposed regulation that would change the definition of fiduciary investment advice under ERISA. Any action that is taken on this issue must be balanced against the impact this rule may have on those who are in most need of investment education. Indeed, I fear this proposed rule may negatively impact average residents and small businesses in Utah.

I understand the proposed exemptions are extremely limited in scope, effectively prohibiting substantial assistance that is in the best interest of retirement savers across all income levels. If few service providers are able to navigate or comply with the rules, Utah's middle-income retirement savers and small-business owners will effectively be left without access to individual guidance interactions. And, in fact, only the richest wage earners will be able to afford higher upfront fees for personalized advice. This development is troubling to me.

Given the enormous implications not only for our state, but on the entire retirement savings system in our country, I am hopeful that the final rule can reflect a middle ground, upholding a best interest standard while retaining essential education and guidance services for millions of Americans.

I appreciate your consideration of my concerns and recommendations, and look forward to staying apprised of further developments.

Sincerely,

A handwritten signature in cursive script that reads "Gary R. Herbert".

Gary R. Herbert
Governor