



April 6 2017

Joe Canary, Director
Attention: Fiduciary Rule Examination
Office of Regulations and Interpretations
Employee Benefits Security Administration
United States Department of Labor
200 Constitution Avenue NW, Room N-5655
Washington, DC 20210

RE: RIN 1210-AB79, Examination of final rule entitled “Definition of the Term ‘Fiduciary;’ Conflict of Interest Rule—Retirement Investment Advice”

Director Canary,

On behalf of more than 3.2 million Americans for Prosperity activists in all 50 states, I write in support of the Employee Benefits Security Administration’s (EBSA) Office of Regulations and Interpretations compliance with the President’s Memorandum to the Secretary of Labor, dated February 3, 2017, directing further examination of the consequences of the rule entitled “Definition of the Term ‘Fiduciary;’ Conflict of Interest Rule—Retirement Investment Advice” and its potential impact on Americans’ access to financial savings tools.

In constructing the “fiduciary rule,” the Department of Labor’s failure to fully account for dynamic economic effects of the regulation led to a potential underestimation of the costs of compliance, limitations on services to consumers, and price increases to American investors. The National Economic Research Association estimates more than 57 percent of current retirement savings account holders will be forced out of their current plan by this rule. Economists from the Brookings Institution estimated the consumer loss could be \$80 billion – twice as much as was projected by the Department of Labor – and a report from economic consulting firm Oliver Wyman concluded the rule could raise the price of financial advice by nearly 200 percent.

Given these economic findings, it is no surprise that a bipartisan coalition of the American people’s elected representatives in the U.S. House and Senate voted to overturn the hastily crafted fiduciary rule. Unfortunately, former President Obama chose to veto Congress, but President Trump’s Administration quick action to delay this regulation’s costly burden and undue consequences on the American people, who deserve access to a wide array of affordable savings tools. The EBSA must take this opportunity to reconsider the premise and impact of the fiduciary rule, before moving forward.

Heavy-handed mandates from Washington will never solve problems as well as individuals can on their own. The current fiduciary rule threatens Americans’ personal savings and offers only false promises of public benefit. The EBSA must reexamine the economic impact on personal retirement savings plans and reconsider the need for any federal intervention.

Sincerely,

Brent Gardner
Chief Government Affairs Officer
Americans for Prosperity

Americans for Prosperity (AFP) exists to recruit, educate, and mobilize citizens in support of the policies and goals of a free society at the local, state, and federal level, helping every American live their dream – especially the least fortunate. AFP has more than 3.2 million activists across the nation, a local infrastructure that includes 36 state chapters, and has received financial support from more than 100,000 Americans in all 50 states. For more information, visit www.AmericansForProsperity.org.