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Acosta Petition	09-11-2017	2,601

Dear Secretary Acosta:

I strongly support the Labor Department's proposed extension of the transition period and delay of applicability dates for the fiduciary rule prohibited transaction exemptions to July 2019. It is vital that this extension be adopted to avoid creating unnecessary disruption and confusion in the financial services marketplace in the months ahead which would be harmful to my business and contrary to the interests of my clients.

Delay of the applicability date until at least July 2019 is appropriate and necessary for several reasons, including the fact that these rules are still under review and may change, companies and agents should not be forced to invest heavily in compliance systems that could prove unnecessary, and more time allows for better alignment among the various regulatory agencies including state insurance departments. These are real concerns - recognized already by the Labor Department - and should be grounds for final adoption of the delay.

Delay also means important concerns about the workability of these exemptions can be studied more closely and addressed to avoid potentially devastating effects on consumers. As an independent life insurance agent, I am particularly concerned about the treatment of fixed indexed annuities (FIAs) which were removed from PTE 84-24 and grouped with securities products in the Best Interest Contract Exemption or BICE.

FIAs should not be lumped in with securities products under BICE because that creates an un-level playing field inherently unfavorable to fixed annuity products and violates the spirit of the Harkin Amendment adopted by Congress to distinguish regulatory treatment of FIAs from securities products. All fixed annuities including FIAs must be covered by PTE 84-24 or an equivalent exemption that recognizes the unique features of fixed annuities and accommodates their distinctive means of distribution through independent agents and Independent Marketing Organizations (IMOs).

The issues surrounding the Fiduciary Rule and its related exemptions have the potential to impact the retirement security of millions of American workers and retirees. It is incumbent upon the Department to create a workable scheme from the first day that those exemptions become applicable and not after. Delay is essential to ensure that all of us seeking to serve our clients and meet their financial needs can continue to provide services and products Americans need to plan and enjoy a secure retirement.

I respectfully request the Department move forward with its proposed delay and closely examine the treatment of all fixed annuities. Thank you for your consideration.

Sincerely,