

PUBLIC SUBMISSION

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Definition of an Investment Advice Fiduciary

Comment On: EBSA-2023-0014-0001
Retirement Security Rule: Definition of an Investment Advice Fiduciary

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Submitter Information

Name: Mark Mager

General Comment

I'm a Financial Advisor in Shelton, a small rural community. Just last week, I opened two small accounts. One was a grandfather opening an account for his 4-year-old grandson with \$500. He wanted to open this account as his daughter is a single mom and money is tight with her income and the cost of goods these days. The other account was for a 24-year-old that is working for the Conservation Corps here in the PNW. He has aspirations of working for the US Forest Service. He opened a Roth IRA with \$300 to save for retirement. Reg BI has discouraged me from opening this type of account. While I agree with premise of the rule, I can tell you that it adds expense to opening and maintaining small accounts. It also adds undo risk to me as a small business owner, I fear that I could get caught up in a class action lawsuit due to the predatory nature of the legal field. Adding the Fiduciary requirement would compound this. The majority of my accounts are fiduciary accounts, and we generally have a \$50,000 (which is low by industry standards BTW) minimum. If this additional onerous rule is passed into law we will consider eliminating all small accounts. This would take away access to financial help from the very people that need it the most. I ask that you think carefully about this unintended consequence. Thanks for all you do. With Regards,

Mark Mager

I'm writing to express my concerns with the Department of Labor's (DOL) Retirement Security rule proposal. I believe this proposal will harm millions of low- and middle-income households by limiting access to personalized financial guidance and advice.

As a financial professional, I'm already required to act in the best interests of my clients under the SEC's Regulation Best Interest (Reg BI) and, when considering annuities, applicable state laws that impose similar requirements. Together, these regulations ensure that my clients and I can focus on working together to build responsible savings and investments habits.

This proposal has the potential to upend our existing, comprehensive structure by limiting our ability to help our clients safeguard their savings in a manner of their choosing. In particular, the previous iteration of a substantially similar DOL rule resulted in a meaningful reduction in services offered to millions of low- and middle-income households. I am concerned that the resurrection of this rule is expected to exacerbate the racial wealth gap by roughly 20% due to a disproportionate impact on Black and Hispanic communities.

I hope the DOL will consider the harm the previous fiduciary rule had on communities, as well as the changes in securities regulations that came with the adoption of Reg BI and state insurance suitability rules and withdraw the Retirement Security rule proposal.