

PUBLIC SUBMISSION

Received: December 26, 2023 Tracking No. lqm-pbg0-m4nb Comments Due: January 02, 2024 Submission Type: API

Docket: EBSA-2023-0014
Definition of an Investment Advice Fiduciary

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

Document: 1210-AC02 comment 00191 Schlueter 12262023

Submitter Information

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General Comment

As a professional who has provided advice and service to middle and low income households for 37 years I worry that this redundant additional regulation will force many like myself to reduce or eliminate services provided at the present time to individuals without the resources to access these services in the future. If the costs and liabilities of offering these services become too great, small practitioners like myself will be forced to limit or eliminate these planning services to clients who otherwise would not have access. Will the government provide these services instead? Financial literacy is at all-time lows and trust for government provided services is also at low levels. Democratizing access is not served by legislating the providers into a corner with excessive and redundant levels of regulation. Financial services are already the most regulated industry in the US. Please reconsider this legislation. Those who can afford the service will always get it, but you cannot force this on those who cannot afford to pay for it and who need it the most.

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.