

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

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General Comment

I am an independent financial advisor who provides financial planning and other services to help Main Street Americans plan for a secure financial future. As a member of the Financial Services Institute, I am writing to express my concern with the Department of Labor's (DOL) recently proposed Retirement Security Rule. If adopted, the Proposed Rule will harm the very retirement savers it seeks to help by limiting their access to the affordable financial advice, products and services on which they rely to secure a dignified retirement.

Having a relationship with a trusted financial advisor helps people save more for retirement. I provide my clients with comprehensive financial advice and as an independent financial advisor, I can recommend products that are in their best interest. Currently, my clients may choose how to pay for that financial advice. Far from being a "junk fee," commissions are an important way that advisors are able to serve those who may not otherwise be able to afford to work with an advisor because they have less investable assets. And while changing, some products offered by commission are not offered by fee. And those younger clients just opening an account like a Roth IRA may be contributing \$50/month. That type of account makes no sense to asses a fee, when time it taken to do the math of commission versus fee over 30+ years.

If this rule is finalized, I will be unable to work with smaller accounts or help lower

and middle-income savers plan for retirement. This will most impact those earning below \$100,000 per year and those trying to take personal responsibility for their future and open small retirement accounts.

The DOL proposed a similar rule in 2016 and as a result more than 10 million smaller retirement account owners could no longer afford to work with their financial advisor. Not only did a Federal Court invalidate the 2016 Rule, but the Securities Exchange Commission (SEC) and state regulators imposed their own best interest standards. In light of the SEC's Regulation Best Interest, the fact that more than forty states have adopted the NAIC model regulation, and DOL's PTE 2020-02, which requires compliance with already established conduct standards, the proposed Retirement Security Rule is unnecessary.

I urge the DOL to withdraw this rulemaking to support Main Street investors, small business owners, and our community's access to crucial financial advice.