

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

The proposed Retirement Security rule will do little to protect the public and will likely do harm in the long run. Reg BI as issued by the SEC already provides a uniform standard for business transacted outside the fiduciary standard already in place for advisory services. The proposed rule will benefit litigation attorneys another tool to use when going after "deep pockets". The attorneys will get rich from settlements and the public will be harmed as fewer advisors will work in this market. The public will be relegated to online accounts and 1-800 call centers. In any industry, there have been and always will be, individuals that work to take advantage of others. Do not punish the majority of financial advisors that work hard to provide the best advice to their clients.

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.