

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

Dear Mr. President Joe Biden Jr., Secretary of Labor Julie Su and EBSA-2023-0014-0001. This is a concern for me as I am just becoming an active advisor. These rules make people like me think about the career moving forward. We work for the clients and what is in their best interest, but yet when a client comes into our office to seek guidance, we have to tell them unfortunately we cannot give you advice on the retirement account. We can provide them with their options, but they are the ones that have to make the final decision and we are unable to help them with that decision. If they are to sit in our seats half of the people that come into our offices, have no clue what they want or need to do with their retirement assets, this is the reason they are coming to us for help. The DOL proposal will make helping clients an unnecessary burden on firms, advisor and the clients. Advisors will leave the industry due to this. Because of the higher cost that would have to be passed down to the clients they will try to figure it out on their own. This could cause a very negative effect on their assets as I mentioned most of them do not know what they are doing when it comes to investing. So, this could be detrimental to their assets and then leave many of them without retirement income due to not having the right guidance because they were not able to cover the cost of having a financial advisor help them.

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.