

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

As a former office manager, and now working part time as an office support person in a busy financial office, I know the compliance issue of the Reg BI, and it is strict, and pretty thorough. My offices have made extra effort at due diligence and as the non registered support staff, in my previous office, I was under agreement to report anything that seemed not in the clients best interest to the compliance departments of the companies we worked for. Since I have started to work at an LPL office, I know they have intensive compliance training, and encourage the office support staff to maintain the same practice of reporting anything that doesn't seem in compliance or in the customers best interest. I believe every person should have access to sound financial advice. I know all the advisors and the companies I worked/work for never charged a person to come in and get sound advice. I know of several young people that were helped by making budgets, saving, and investing for their futures, even starting small. Some didn't take the investment advice but just worked on budgets, and my advisors always stayed open to meeting with them, to continue the relationship. Managing money is hard, and isn't really taught in practical ways in school. I believe having easy access without a lot of regulations is important to Kansans, especially in this economic time we are in.

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.