

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 a financial advisor in my 37th year, beginning my career at a wire house, then switching to the independent channel with LPL in 2012. I have built strong, long-term relationships and am currently serving the 4th generation for some families. I am ethical and have a clean record, which is easy to accomplish by considering the client first. Through three decades, I have witnessed additional regulatory agencies, increased regulations and surveillance, and a tenfold paperwork increase. Quite frankly, it is insulting and detrimental to my practice to devote so much time to comply/appease the regulators, who have to justify their existence and salary. There are already more than enough regulations, such as Reg BI, and our industry does not need additional oversight. I vehemently disagree that every advisor is suspect, and every client interaction triggers fiduciary status. In my opinion, the DOL has no business in the already highly regulated financial services industry. I oppose the new DOL Fiduciary Rule and ask you to stand in the gap and prevent the government regulatory leviathan from growing any further. Thank you.

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.