

MEMO# 30620

March 2, 2017

DOL Proposes 60-Day Delay of Fiduciary Rule Compliance Date

[30620] March 2, 2017 TO: ICI Members
Investment Company Directors SUBJECTS: Compliance Disclosure
Distribution Exchange-Traded Funds (ETFs)
Fees and Expenses
Fund Accounting & Financial Reporting
Fund Governance
Intermediary Oversight
Investment Advisers Operations
Portfolio Oversight RE: DOL Proposes 60-Day Delay of Fiduciary Rule Compliance Date

I am writing to provide you with some detail about a proposal from the Department of Labor to extend the fiduciary rule's compliance date to June 9, 2017 (a 60-day delay). The comment deadline regarding the delay is March 17, 2017.

Importantly, the proposal also requests broader comment on the rule itself, and the DOL has provided a lengthier comment period for that commentary. In summary, the DOL requests comment in response to President Trump's February 3, 2017 memorandum directing DOL to examine whether the final fiduciary rule may adversely affect the ability of Americans to gain access to retirement information and financial advice. These comments are due on April 17.

The notice explains that the 60-day delay is intended to give DOL time to undertake the examination required by the President's memorandum (perhaps as opposed to alleviating compliance concerns). The notice explains that the 60-day delay would guard against the risk of disruption of the marketplace that would result from the rule and exemptions becoming applicable before DOL completes the examination and determinations required by the President's memorandum regarding whether to rescind or revise the rule. The notice asks a number of questions relating to both the 60-day delay and the examination required under the President's memorandum. For example, with respect to the 60-day delay, the notice asks questions about the impact of the delay on retirement investors and questions regarding potential savings in compliance "start-up costs" associated with a delay in the applicability date.

We, of course, are closely reviewing the proposal and the DOL's request for comments. We will reach out to the appropriate committees and working groups for input and advice about our responses to DOL. We will keep those groups closely advised of our work.

Link to the Federal Register:

<https://www.gpo.gov/fdsys/pkg/FR-2017-03-02/pdf/2017-04096.pdf>

David Blass
General Counsel

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.