

MEMO# 32785

September 28, 2020

Joint Trade Group Sends Letter to DOL Requesting Extension of Comment Period on Proposal on Fiduciary Duties Regarding Proxy Voting and Shareholder Rights

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TO: ICI Members
Pension Committee
Pension Operations Advisory Committee
Privacy Issues Working Group
SEC Rules Committee SUBJECTS: Pension RE: Joint Trade Group Sends Letter to DOL Requesting Extension of Comment Period on Proposal on Fiduciary Duties Regarding Proxy Voting and Shareholder Rights

The Institute, along with seven other trade associations,[\[1\]](#) sent the attached letter to the Department of Labor (DOL) requesting that they extend the deadline for comment for the proposal on Fiduciary Duties Regarding Proxy Voting and Shareholder Rights (the "Proposal").[\[2\]](#) As we reported earlier, DOL's stated goal for the Proposal is to ensure that plan fiduciaries execute their ERISA duties in an appropriate and cost-efficient manner when exercising shareholder rights. The joint letter explains that the Proposal (along with the related proposal on Financial Factors in Selecting Plan Investments[\[3\]](#)) represents a major overhaul to DOL's regulation regarding ERISA fiduciaries' investment duties, and that it deserves more time for analysis to avoid unintended consequences.

The letter notes that, unlike DOL's other current regulatory projects with similarly short comment deadlines, the proposed changes to this regulation have not received significant prior input. DOL's other proposals (e.g., recent regulation on electronic delivery, RFI on multiple employer plans including pooled employer plans or PEPs, and the proposed fiduciary prohibited transaction class exemption) build on longstanding public policy issues for which DOL has sought public input many times, whereas the changes proposed here call for thoughtful consideration that takes additional time.

The current deadline for comments is October 5, which is 30 days after publication of the Proposal. The joint trade letter requested an additional 30 days to provide comment.

Shannon Salinas
Assistant General Counsel - Retirement Policy

[Attachment](#)

endnotes

[1] The other signatories to the letter include American Bankers Association (ABA), American Council of Life Insurers (ACLI), Defined Contribution Institutional Investment Association (DCIIA), the Investment Adviser Association (IAA), Insured Retirement Institute (IRI), the Securities Industry and Financial Markets Association (SIFMA), and the SPARK Institute.

[2] For a description of the Proposal, see ICI Memorandum No. 32727, dated September 1, 2020, available at https://www.ici.org/my_ici/memorandum/memo32727.

[3] For a description of the proposal, which focuses on DOL's stance on environmental, social and governance (ESG) considerations in investments for retirement plans, see ICI Memorandum No. 32552, dated June 24, 2020, available at https://www.ici.org/my_ici/memorandum/memo32552.

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