

MEMO# 23276

February 26, 2009

Draft Comment Letter on DOL Investment Advice Final Rule

ACTION REQUESTED

[23276]

February 26, 2009

TO: PENSION COMMITTEE No. 5-09
PENSION OPERATIONS ADVISORY COMMITTEE No. 6-09 RE: DRAFT COMMENT LETTER ON
DOL INVESTMENT ADVICE FINAL RULE

Attached for your review is a draft comment letter on final rules implementing the investment advice provision of the Pension Protection Act of 2006. As you know, pursuant to an instruction from Rahm Emanuel, the President's Chief of Staff, to the executive agencies, DOL on February 4 proposed to extend the effective date of the rule by 60 days and asked for comments on questions of law and policy concerning the rules. [\[1\]](#)

The draft comment letter strongly supports the goal of the PPA to increase opportunities for participants and IRA investors to have professional investment advice, and strongly supports the final rules. The letter notes that the final rules balanced the need for increased advice and appropriate safeguards and reconciled textual ambiguities in the statutory language to implement Congress' intent. In particular, the final rules implement the "off-model" advice provision of the PPA and apply the "fee-leveling" condition appropriately.

Finally, the draft letter states that if the Department determines that changes to the final rules are needed, it should propose a new rule for notice and comment.

Please provide comments or suggestions to the undersigned (mhadley@ici.org or 202-326-5810) by Wednesday, March 4.

Michael L. Hadley
Associate Counsel

[Attachment](#)

endnotes

[\[1\]](#) See Institute Memorandum to Pension Committee No. 4-09 and Pension Operations Advisory Committee No. 5-09 [23241], dated February 9, 2009.

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