

**MEMO# 30648**

March 20, 2017

# **ICI Submits Comment Letter Supporting Delay of Fiduciary Rule Applicability Date**

[30648]

March 20, 2017 TO: ICI Members SUBJECTS: Pension RE: ICI Submits Comment Letter Supporting Delay of Fiduciary Rule Applicability Date

On March 17, 2017, ICI submitted the attached letter to the Department of Labor (DOL) in support of DOL's proposal to delay the April 10th applicability date of DOL's fiduciary rulemaking.[\[1\]](#) DOL's proposal is in response to an order by the President directing it to engage in a comprehensive review of the final rule and related exemptions and to determine whether the rule may adversely affect the ability of Americans to gain access to retirement information and financial advice.[\[2\]](#) According to the proposal, because DOL's re-examination could lead to the decision to rescind or revise the rule, the delay is necessary to avoid the marketplace disruptions that would occur if the retirement industry and investors were to face two major changes in the regulatory environment rather than one.

DOL determined that the proposed 60-day delay is an "economically significant regulatory action" and, as such, it must consider the costs and benefits of the proposed delay. In estimating the cost of the proposed delay, DOL used data derived from its 2016 Regulatory Impact Analysis to illustrate claims of potential investor losses if the rule does not go into effect, and thus potential harm to investors in the form of "foregone gains" resulting from the 60-day delay. ICI's letter explains why this cost estimate is inaccurate and that any potential "lost benefits" are well justified by the avoidance of disruption to those investors that would be caused if the rule is not delayed.

Our letter also urged DOL to delay the rulemaking for a period longer than 60 days and synchronize the setting of the applicability date with DOL's determination as to whether to rescind or modify the rule.

ICI is also preparing comments, due April 17, 2017, relating to the examination and analysis required by the President's memorandum.

Shannon Salinas

[Attachment](#)

**endnotes**

[1] The proposal, published at 82 Fed. Reg. 12319 (March 2, 2017), is available here: <https://www.gpo.gov/fdsys/pkg/FR-2017-03-02/pdf/2017-04096.pdf>. See ICI Memorandum No. 30617, dated March 2, 2017, available here: <https://www.ici.org/committees/pension/memo30617>.

[2] The President's memorandum to the Secretary of Labor was signed on February 3, 2017, and published at 82 Fed. Reg. 9675 (February 7, 2017), available here: <https://www.gpo.gov/fdsys/pkg/FR-2017-02-07/pdf/2017-02656.pdf>.

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