

MEMO# 14155

November 16, 2001

HOUSE OF REPRESENTATIVES APPROVES INVESTMENT ADVICE LEGISLATION

[14155] November 16, 2001 TO: BOARD OF GOVERNORS No. 58-01 FEDERAL LEGISLATION MEMBERS No. 16-01 PRIMARY CONTACTS - MEMBER COMPLEX No. 87-01 PUBLIC INFORMATION COMMITTEE No. 29-01 RE: HOUSE OF REPRESENTATIVES APPROVES INVESTMENT ADVICE LEGISLATION On November 15, 2001, the House of Representatives approved H.R. 2269, the "Retirement Security Advice Act of 2001," by a vote of 280 to 144. The legislation was approved on a bipartisan vote, with 64 Democrats joining with Republicans in support of the measure. H.R. 2269, introduced by House Education and the Workforce Committee Chairman John Boehner (R-OH), would provide a statutory exemption from ERISA's prohibited transaction rules to allow financial institutions to provide investment advice to retirement plan participants regardless of whether the financial institution provides investment options for the plan. The legislation was approved by both the House Education and the Workforce Committee and the Ways and Means Committee prior to floor consideration.¹ We will inform you of further developments as the bill is considered by the Senate. Matthew P. Fink President 1 See Memorandum to Board of Governors No. 57-01, Federal Legislation Members No. 15-01, Primary Contacts - Member Complex No. 84-01, and Public Information Committee No. 28-01.

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