

VIDEO

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Focus on Funds: Crunch Time for Compliance with the Fiduciary Rule

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Amidst a changing political landscape, the fund industry is racing to comply with a looming compliance date for the Department of Labor's fiduciary rule. In the November 18, 2016, edition of *Focus on Funds*, ICI Assistant General Counsel Shannon Salinas offers an update on the work underway.

Transcript

Stephanie Ortvals-Tibbs, Media Relations Director, ICI: With just months to go until the compliance date for the Department of Labor's fiduciary rule, the industry is working fast and furious on coming into compliance. At the same time, there's political change afoot in Washington. What's the state of play for the rule? I spoke with ICI's Shannon Salinas.

Shannon Salinas, Assistant General Counsel, Retirement Policy, ICI: We're coming up to the applicability date, which is April 10, and that's when everyone needs to be in compliance with the new rule—so we're mid-implementation right now. A lot of decisions are being made about what brokerage firms plan to do, and what the funds plan to do to accommodate them.

Ortvals-Tibbs: So this is a very busy, very intense time.

Salinas: Extremely.

Ortvals-Tibbs: And you are helping provide resources to members who are trying to respond to this coming big change?

Salinas: Once you start implementing, a lot of additional questions come up. The rule might seem clear in some places but then when you try to implement it, there are additional questions. So we're walking through all of those questions with members trying to create a forum for discussion, and help them with the analysis.

Ortvals-Tibbs: Well, given that, people keep asking, time and time again, the question about whether or not the deadline might move for compliance. What do you hear on that?

Salinas: Well, the latest that we've heard from DOL is that they are not changing the

deadline. On October 27, which was just a couple weeks ago, they put out their first round of FAQs, to give additional guidance. And in that FAQ, they said that they still feel that the April 10 applicability date is appropriate, and gives everyone enough time to come into compliance. They also included a provision in the FAQ to give a little reassurance that, initially, their plan will be to assist with compliance rather than to cite violations.

Ortbals-Tibbs: That's helpful information. Of course, the other piece of information we don't have right now is what might change with the new administration coming in. Any perspective you can begin to share with our members on that, and what ICI will be doing as we follow this issue?

Salinas: We don't know. It's a big unknown. The conversation changed overnight with the election, and so we don't know what the Trump Administration's position would be on the DOL fiduciary rule. There would be a short turnaround time for them to make changes. The applicability date is only 80 days after he would be sworn into office, so there's not a lot of time for him to make a decision, but there's a lot of unknown.

Ortbals-Tibbs: So in the meantime we just continue to really stick close to this issue on so many fronts, and you'll be continuing to help inform members along the way, with memos, with phone calls, with various activities that help push information out there?

Salinas: Yes.

Additional Resources

- [ICI's DOL Fiduciary Rule Resource Center](#)
- [Retirement research and statistics](#)