

September 12, 2016

Hon. Jeb Hensarling
Chair
Financial Services Committee
U.S. House of Representatives
Washington, DC 20515

Hon. Maxine Waters
Ranking Member
Financial Services Committee
U.S. House of Representatives
Washington, DC 20515

RE: Opposition to Section 441 of the Choice Act

Dear Chairman Hensarling and Ranking Member Waters:

On behalf of the undersigned members of the SaveOurRetirement Steering Group, we are writing to strongly oppose Section 441 of the “Financial CHOICE Act of 2016,” which is scheduled to be marked up by the Financial Services Committee on Tuesday. (Some of the signatories to this letter will separately comment on other provisions of the more than 500 page bill.) Section 441 would repeal the Department of Labor’s (DoL’s) fiduciary rule and, borrowing from the misnamed “Retail Investor Protection Act,” prevent the DoL from promulgating any similar regulations until after the Securities and Exchange Commission (SEC) exercises its separate authority under the securities laws. At the same time, Section 441 would erect new barriers in the way of an SEC rulemaking, thereby ensuring that there will be no new and urgently needed protections for retirement savers and other investors ever enacted by either the DoL or the SEC.

This provision is yet another attempt to roll back the most significant new protections for average Americans trying to save for retirement in several decades. The DoL rule was the result of an extraordinarily open and inclusive regulatory process and extensive economic analysis documenting the annual toll of billions of dollars in harm to retirement savers under the existing rules. The rule at long last requires all financial professionals who provide retirement investment advice to put their clients’ best interests ahead of their own financial interests. By taking this essential step, the rule will help all Americans — who increasingly are responsible for making their own decisions about how best to invest their retirement savings — keep more of their hard-earned savings so they can enjoy a more financially secure and independent retirement.

By stripping away the new DoL protections and inhibiting further regulatory action, Section 441 of the proposed “Financial CHOICE Act” would preserve the ability of financial firms to profit at the expense of retirement savers. We urge you to oppose it.

Sincerely,

Members of the SaveOurRetirement Steering Group

AARP
AFSCME
AFL-CIO
Americans for Financial Reform
Consumer Federation of America
Pension Rights Center