



## Consumer Federation of America

April 26, 2016

***RE: Vote NO on Resolution to Block DOL's Final Conflict of Interest Rule***

Dear Representative:

We are writing to urge you to oppose H.J. Res 88, the resolution to block implementation of the Department of Labor's (DOL's) final conflict of interest rule. Years in the making, the final rule will strengthen protections for workers and retirees who turn to financial professionals for advice on how best to save and invest for retirement. It will ensure that all financial professionals who offer retirement investment advice act in their customers' best interest.

The DOL has conclusively proven that this rule is desperately needed. Loopholes in the current regulations governing retirement investment advice have allowed financial professionals to evade their obligations to serve their customers' best interest, enabling them to steer unsophisticated retirement savers into high cost, low performing, often risky and illiquid investments. This lack of protections costs retirement savers billions in diminished retirement savings per year.

The final rule properly closes the loopholes in the current rule so that financial professionals can no longer evade their obligation to serve their customers' best interest. It also requires firms to rein in practices that encourage and reward advice that is not in the customer's best interests. At the same time, the rule flexibly accommodates a variety of compensation practices, ensuring that savers who prefer to pay for advice through commissions get the best interest advice they need and deserve and not just a costly sales pitch dressed up as advice. As a result, the rule will lead to improved outcomes for retirement savers.

Throughout this multi-year long rulemaking, the DOL has engaged in a transparent, open, and deliberative process and provided all interested stakeholders, including members of Congress and industry representatives, extensive opportunity to provide input. As a result, the final rule includes significant clarifications and adjustments designed to facilitate implementation and compliance, while still preserving the core investor protections of the rule.

This resolution would abolish the critical protections retirement savers need and deserve and perpetuate a status quo that allows toxic and perverse conflicts of interest to flourish, at retirement savers' expense. We urge you to stand with your hardworking constituents saving for an independent and secure retirement by opposing this effort to block implementation of the DOL rule.

Respectfully submitted,

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Director of Investor Protection

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Financial Services Counsel