AN OPEN LETTER TO R. ALEXANDER ACOSTA, SECRETARY OF LABOR:

No Further Delay to the Rule that Puts Retirement Savers' Interests First

Dear Secretary Acosta,

We have members and beneficiaries across the country who are saving for retirement, and now more than ever depend on every dollar that they can save. That's why we urge you not to delay even longer the Department of Labor's 2016 Conflict of Interest Rule (also known as the Fiduciary Rule), which simply requires retirement advisers to put their clients' best interests before their own when they provide investment advice, just like when they get advice from their doctor or lawyer.

Well before it was reported that you would like to "freeze the rule," several of the undersigned groups requested an urgent meeting with you about this Rule, but none of us has received one yet. Meanwhile, we understand that you are meeting with stakeholders who support freezing the Rule, often in the name of "small savers" whom they disingenuously suggest would be harmed by the Rule.

As organizations that actually represent the interests of small savers, we are compelled to write this letter to set the record straight. It's clear from your agency's rulemaking record that the Rule will *increase*, not limit, small savers' access to financial advice – despite what the industry claims now. For example, commission-based compensation models, where the cost of investment advice was often hidden in fund-management fees kicked back to the adviser, have already been giving way to more transparent fee-based models. The Rule has only accelerated this trend. When investors know what advice actually costs, advisers begin to compete on price, competition leads to more efficient operations, and investors come out ahead. This and other developments will lower the cost of financial advice, allowing for advisers to profitably serve smaller accounts, which especially benefits lower-wage workers, those in dire need of retirement savings.

We firmly believe that further delay of the Rule would be a serious mistake – and a costly one for our nation's retirement savers at a time when they can least afford it. By your agency's own calculations further delay would cost retirement investors (including small savers) hundreds of millions of dollars every 60 days. **It is telling that this Rule has consistently been supported by organizations representing ordinary investors, low-income investors, women, and minority groups, including many organizations who have signed letters in support of the Rule.**

You can read more at campaigns.nelp.org/acostaletter.

Thank you for your consideration,

9to5, National Association of Working Women
Americans for Financial Reform
Consumer Federation of America
Economic Policy Institute
The Leadership Conference on Civil & Human Rights
NAACP
National Employment Law Project
National Partnership for Women & Families
National Women's Law Center
Pension Rights Center

Note: Sources are available at campaigns.nelp.org/acostaletter.