

FOR IMMEDIATE RELEASE

June 30, 2020

Financial Planning Coalition Statement on the Reintroduced U.S. Department of Labor Investment Advice Rule

Washington, D.C. – The Financial Planning Coalition – comprising Certified Financial Planner Board of Standards, Inc. (CFP Board), the Financial Planning Association® (FPA®) and the National Association of Personal Financial Advisors (NAPFA) – issued the following statement regarding the U.S. Department of Labor’s proposed ‘Investment Advice Rule’ on June 29, 2020:

“Since the U.S. Department of Labor (DOL) introduced their original ‘Fiduciary Rule’ in October 2010, the Financial Planning Coalition has called for an unambiguous fiduciary standard to apply to all persons who provide advice to retirement plan investors. Unlike the past when Defined Benefit plans assured financial independence in retirement, Defined Contribution plans offer no such assurance and place the burden of investment decision-making squarely on the shoulders of American workers and Main Street investors. We believe financial advisers who provide advice to consumers on their ERISA-qualified plans must act in a fiduciary capacity at all times.

The Financial Planning Coalition will review the ‘Investment Advice Rule,’ engage a range of stakeholders to assess the efficacy of the Rule and provide comments on the proposal to DOL prior to the conclusion of the 30-day comment period. The Coalition intends to focus on the extent to which DOL’s Investment Advice Rule would provide additional protections for retirement savers under ERISA beyond those under the Securities and Exchange Commission’s (SEC) new Regulation Best Interest which goes into effect today.

In our public comment letters to the SEC concerning Regulation Best Interest, the Coalition strongly encouraged the SEC to use as a template CFP Board’s revised *Standards* that extend the fiduciary obligation of a CERTIFIED FINANCIAL PLANNER™ professional to all financial advice. We hope that the DOL proposal does not merely mirror language from Regulation Best Interest, but instead proposes strengthened safeguards under ERISA that are consistent with the robust fiduciary standard contained in CFP Board’s revised *Standards*.”

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About the Financial Planning Coalition

The Financial Planning Coalition is a collaboration of Certified Financial Planner Board of Standards, Inc. (CFP Board), the Financial Planning Association® (FPA®) and the National Association of Personal Financial Advisors (NAPFA)—the leading national organizations representing the development and advancement of the financial planning profession. Together, the Coalition seeks to educate policymakers about the financial planning profession, to advocate for policy measures that ensure financial planning services are delivered in the best

interests of the public, and to enable the public to identify trustworthy financial advisers. To learn more, please visit www.FinancialPlanningCoalition.com.

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