

## Minority Views on H.R. 2374

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We are concerned that H.R. 2374 is yet another attempt by some on this Committee to prevent our regulators from protecting the average, retail investor when they try to save for retirement. Even though some of the roadblocks set up by the bill have been removed, the bill still creates obstacles that the Securities and Exchange Commission (SEC) must navigate to harmonize the standards for broker-dealers and investment advisors.

While not as restrictive as those in the dangerous cost/benefit bill this Committee just considered, the restrictions would still put additional work in the way of establishing rules to stop brokers from self-dealing when selling investment products to Main Street. For example, the bill will likely require the SEC to do a new study on the impact of adopting fiduciary standards on investors -- while the previous study showed investor confusion, these findings may not be sufficient to meet the standards of investor harm and impact on choice required in the bill.

At the same time, the bill would slow the Department of Labor (Department) as it seeks to re-issue rules imposing fiduciary responsibilities on advisers serving workplace retirement plans and individual retirement accounts (IRAs). The bill would make the Department's independent authority to protect retirement savers conditional on the SEC issuing their rules. We agree that the Department went much too far when it issued its proposed rule in 2011, with potentially serious, unintended consequences. As many of us have mentioned in several letters sent to the Department, an overbroad fiduciary rule threatens to reduce the availability of advice to individual investors and retirees, particularly for individual holders of IRA accounts who have control of their own accounts. This bill, however, may go too far, making Department rulemaking hostage to rulemaking by the SEC.

For these reasons, we continue to oppose H.R. 2374 in its amended form.

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