



Plan Sponsor Council of America • The Voice of the Plan Sponsor Since 1947

March 15, 2017

Filed Electronically

EBSA.FiduciaryRuleExamination@dol.gov

Mr. Timothy D. Hauser
Acting Assistant Secretary
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

Re: Potential Delay of Applicability Date of Fiduciary Rule (RIN 1210-AB79)

Dear Acting Assistant Secretary Hauser:

The Plan Sponsor Council of America (“PSCA”) supports the Department of Labor’s proposal to delay the applicability date of the regulation “Definition of the Term Fiduciary; Conflict of Interest Rule – Retirement Investment Advice” (81 Fed. Reg. 20946 (April 8, 2016), the “Fiduciary Rule”) as published in the Federal Register on March 2, 2017 (82 Fed. Reg. 12319).

PSCA has long been the voice of the plan sponsor community with a focus on transparency and ensuring that ERISA helps protect plan participants and beneficiaries. PSCA continues to believe that many features in the final Fiduciary Rule further this goal. However, PSCA also realizes that there may be room for refinement and improvement of the Fiduciary Rule. PSCA remains committed to collaborate with the Department to help find positive enhancements in this area that can best serve the interests of plan sponsors and their employees.

Importantly, over the past few months, many plan sponsors facing the April 10 applicability date have been receiving new service agreements and documents that materially change the duties and responsibilities of their service providers. Some service providers are reducing their services to avoid fiduciary status, some are expanding their services and embracing fiduciary status in varying degrees, and some are adopting a combination of both approaches. Plan sponsors are now faced with evaluating complex new service agreements, their processes, their costs, their limitations on liability and their indemnities, and their overall choice of vendors within a tight window of time. Further, because of systems limitations, many service providers have, even with the issuance of Field Assistance Bulletin 2017-01

(March 10, 2017), set March deadlines for plan sponsors to complete their review of these materials, thus adding additional pressure on plan sponsors.

Allowing more time to understand and evaluate these changes could be of great value to plan sponsors in looking out for the interests of their participants and beneficiaries in accordance with their fiduciary duties. As such, we fully support a delay in the applicability date of the Fiduciary Rule.

Sincerely,

A handwritten signature in blue ink, reading "Stephen W. Mc Caffrey". The signature is stylized with a large, sweeping flourish at the end.

Stephen W. Mc Caffrey
Chairman