

Congress of the United States
Washington, DC 20515

January 13, 2014

The Honorable Thomas Perez
Secretary
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

Dear Secretary Perez:

We would like to congratulate you on your new position as Secretary of Labor. As members of the New Democrat Coalition, we look forward to working with you on the important challenges and opportunities facing our country.

The New Democrat Coalition played a major role with respect to the Dodd-Frank Wall Street Reform and Consumer Protection Act in advocating for a regulatory approach that would reduce systemic risk and increase transparency and certainty in our markets. With respect to fiduciary standards, a key objective of the Dodd-Frank Act was to protect investors while reducing confusion. That should be an important consideration in the Department's coordination with other regulators.

In this regard, Members of the New Democrat Coalition had written Secretary Solis in 2011 with concerns about the Department's proposal to redefine the term "fiduciary" for purposes of the Employee Retirement Income Security Act of 1974 and for purposes of certain Internal Revenue Code provisions affecting Individual Retirement Accounts and similar arrangements. We were very pleased that Secretary Solis agreed with our recommendation that the rule as initially proposed needed to be withdrawn, so that further work could be done on the issue.

As you consider a re-proposal of this regulation, we write to express our strong interest in establishing a dialogue with you, particularly with respect to our two core concerns regarding the fiduciary definition.

First, we continue to believe that any new definition should not limit access to investment education and information. We certainly want to protect plan participants, IRA owners, and plan sponsors from unfair and deceptive practices. But this should be done in a way that does not restrict access to critical investment assistance. While the original rule would have had little effect on wealthy investors or large businesses, it inadvertently could have significantly restricted the availability of investment help to low- and middle-income individuals and small businesses. Additionally, the original rule could have created problems under existing prohibited transaction rules and limited access plan participant's access to investment advice even when it was in their best

interest. We ask you to work with us to ensure that any re-proposal does not have similar effects.

Second, we strongly believe that there needs to be coordination with other regulators to ensure that all regulatory efforts with respect to fiduciary standards work together in a way that serves retirement savers effectively.

We were heartened by your commitment in your confirmation hearing to work with the Hill on this critical project. Given our history with respect to the Dodd-Frank Act and the fiduciary issue, we would very much like to establish a dialogue with you on the fiduciary project. As you consider the future path of any proposal, and before you send any proposal to the Office of Management and Budget, we respectfully request the opportunity to have a dialogue on how to best protect low and middle-income individuals and small businesses, while ensuring access to investment education, information, and affordable investment products and services.

Sincerely,



RUSH HOLT
Member of Congress



Carolyn McCarthy
Member of Congress




Ron Kind
Member of Congress



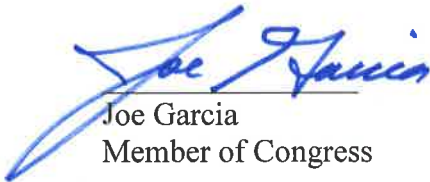
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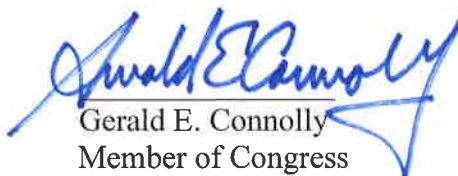

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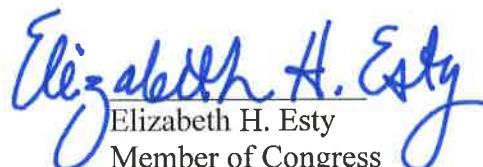

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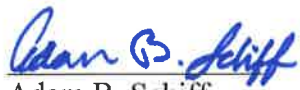

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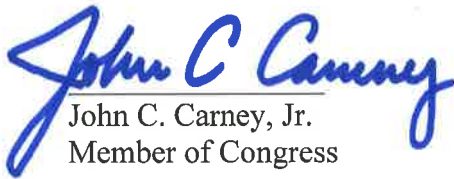
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