DOL Proposes 60-Day Fiduciary Rule Delay

On April 7, the Department of Labor officially delayed its Fiduciary Rule’s pending April 10 applicability date by 60-days – postponing the applicability date until June 9.

In a surprising development, the preamble to the delay regulation states the DOL does not intend further delays as it considers the holistic review of the rule. The DOL takes this surprising position while acknowledging (in the same document) that its review will not be completed before June 9.

A week earlier, the Senate HELP Committee, which has jurisdiction over the DOL, approved Alex Acosta’s nomination to lead the DOL by a vote of 12 to 11.

Nationwide Comment: With the HELP Committee’s approval, it is widely expected he will be successfully confirmed by the full Senate.

LIDA reintroduced in both congressional chambers.

In early April, Lifetime Income Disclosure Act (LIDA) bills were reintroduced in both the House and Senate by Rep. Messer (R-IA) and Sen. Isakson (R-GA), respectively. LIDA aims to help Americans better understand their lifetime income needs by requiring retirement plan participant benefit statements to disclose an annuity illustration along with the lump sum balance. This legislation was included in a bill approved last year by the Senate Finance Committee and is likely to be considered and advanced in the context of tax reform.
Nationwide Comment: Nationwide supports LIDA and believes it will provide Americans with helpful information about their potential retirement income needs.

Senate exercises ‘nuclear option’.

On April 6, Senate Republicans exercised the so called “nuclear option” to remove the 60 vote filibuster threshold needed to advance Supreme Court nominations. Following the change, the Senate approved Neil Gorsuch (54-45) to serve on the Supreme Court.

This move is the culmination of efforts over many years (spanning both Democratic and Republican control) to weaken the filibuster for executive branch/judicial nominations so that a simple majority is sufficient for approval.

The change does not impact the 60-vote filibuster threshold for legislative measures. Regardless, the change represents a fundamental transformation of the Senate and may be a precursor to further modifications to Senate legislative filibuster rules, despite assurances to the contrary by Senate leaders.
References and source material used in this publication

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Keeping watch

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- *Plan Sponsor Alerts* – published as needed to announce breaking news.
- *Governmental 457(b) Guidebook* – which has been recently revised to include information about the Defending Public Safety Employees’ Retirement Act.

About this report

BOB BEASLEY, CRC, Communications Consultant, edits this report. Beasley brings 25 years of financial services communications experience to your plan. He has contributed to past editions of the 457(b) *Governmental Guidebook*, edits countless newsletters and plan sponsor communications, and in 2001 authored “What you should know about the Economic Growth and Tax Relief Reconciliation Act of 2001.” He often voices Nationwide’s online presentations and telephone greetings.

Beasley has served on the Education and Communication Committee for the Plan Sponsor Council of America and as a member of the National Association of Government Defined Contribution Administrators.

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