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were very pleased that Secretary Solis agreed with our recommendation that the rule as initially proposed needed to be withdrawn, so that further work could be done on the issue.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

Ron Kind

Member of Congress

Ann M. Kuster Member of Congress

Joe Garcia

Member of Congress

Carolyn McCarthy

Member of Congress

Patrick Murphy

Member of Congress

Terri A. Sewell

Member of Congress

Mike McIntyre

Member of Congress

James A. Himes
Member of Congress

Cedric L. Richmond Member of Congress

Loretta Sanchez Member of Congress

Ron Barber Member of Congress

Kurt Schrader Member of Congress

Daniel B. Maffei
Member of Congress

Gerald E. Connolly Member of Congress

Pedro R. Pierluisi Member of Congress John Barrow Member of Congress

William L. Owens Member of Congress

Bradley S. Schneider Member of Congress

Juan Vargas Member of Congress

Bill Foster
Member of Congress

Gregory W. Meeks Member of Congress

David Scott Member of Congress

Elizabeth H. Esty Member of Congress Adam B. Schiff
Member of Congress

John K. Delaney Member of Congress Scott H. Peters Member of Congress

Sean Patrick Maloney Member of Congress

John C. Carney, Jr. Member of Congress

Joe Courtney Member of Congress