

## Insights

### President Trump Acts on Fiduciary Rule; DOL to Give it a Closer Look

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In April 2016, the U.S. Department of Labor (DOL) published its final rule—widely referred to as the “fiduciary rule”—amending the regulatory definition of “fiduciary investment advice” in 29 CFR 2510.3-21, replacing a five-part test that long has governed whether a person is deemed to render investment advice. Seeing the existing test as too “restrictive,” with the new rule, the DOL sought to cast a wider net to subject more advisors and more actions to stringent ERISA fiduciary duty standards. The fiduciary rule was to be phased in beginning on April 10, 2017.

Amid legal challenges and uncertainty about application and enforcement of the rule and concern about its far-reaching effects, including anticipated surges in the costs to be borne by wealth-management professionals and individuals saving for retirement, *President Trump signed a presidential memorandum directing the DOL to delay implementation of the fiduciary rule.* Various news outlets are reporting that the delay will be 90 to 180 days. The directive instructs the DOL to take a closer look at the rule and review its potential economic and legal impacts.

We will continue to keep close watch on the delay and any changes the DOL recommends to last year’s rule in response to the President, and we will update this alert as the DOL or the White House takes any other actions.