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Contact: Chip Anderson, Executive Director
Direct 414.332.9306, ext. 1
chip@nafa.com

NAFA CONTINUES PUSH FOR FURTHER DELAY OF FIDUCIARY RULE

NAFA Asserts DOL Secretary Has Options for Delaying Rule

Washington, D.C. (May 19, 2017) – NAFA, the National Association for Fixed Annuities, is continuing its full-court press on the Trump administration to further delay the fiduciary rule, which is set for implementation three weeks from now absent further administrative action.

NAFA reports over 2200 of its members have already written the White House urging President Trump to stop the rule from taking effect on June 9th. “We feel we must take our message straight to the White House so President Trump knows our members are very worried and are counting on him to prevent any part of this onerous rule from taking effect,” said NAFA’s executive director Chip Anderson.

While NAFA’s grassroots efforts are focused on the White House, Anderson indicated NAFA is also talking with members of Congress and at the same time coordinating with industry trade groups through a coalition called Secure Family that is running advertisements in Washington newspapers urging further delay. “NAFA is pulling out all the stops because it will be a disaster if this rule goes into effect before the Labor Department has reexamined the rule in its entirety, as mandated by the President’s February 3rd directive,” said Anderson.

NAFA asserts a number of viable options are available to newly installed Labor Department Secretary Alexander Acosta to delay the rule even though time is growing short. “If there is the will, there is a way,” says Anderson.

While other industry trade groups have been rallying around the idea that Secretary Acosta should adopt an interim final rule to bypass comment period restrictions, NAFA is urging Secretary Acosta to consider invoking a provision of the administrative procedures act known as Section 705, which allows delay of any administrative action that is being challenged in court. NAFA currently has a lawsuit against the rule that is up on appeal in the D. C. Circuit Court of Appeals while several other legal challenges are also pending, including an action brought by the Chamber of Commerce in the 5th Circuit Court of Appeals.

“We believe the Department has never fully considered exercising its authority under Section 705 and perhaps now is the time to do that. Section 705 makes a lot of sense here because the rule has not taken effect yet, it’s being challenged in court, and there is no doubt the rule would cause great harm to industry and consumers. So, this is a good option for Secretary Acosta to consider,” explained Anderson.

Anderson emphasized, however, NAFA is indifferent as to what method is used by the Trump administration to delay the rule. “To us, what is important is the administration take back control of this issue so the President’s agenda does not get undermined by that June 9th implementation date.”

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ABOUT NAFA

NAFA, the National Association for Fixed Annuities, is the premier trade association exclusively dedicated to fixed annuities. Our mission is to promote the awareness and understanding of fixed annuities. We educate annuity sales people, regulators, legislators, journalists, and industry personnel about the value of fixed annuities and their benefits to consumers. NAFA’s membership represents every aspect of the fixed annuity marketplace, covering 85% of fixed annuities sold by independent agents, advisors, and brokers. NAFA was founded in 1998. For more information, visit www.nafa.com.