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The DOL Fiduciary Rule's Negative Impact on Retirement Savers

SIFMA commissioned a study to analyze the impact of the Rule on retirement savers and financial institutions. The study included 21 firms that represent a diverse cross-section of SIFMA's membership.

What is the Rule's Impact?

The study found that access to brokerage advice services has been eliminated or limited by many financial institutions as part of their approach for complying with the Rule, and that retirement assets have shifted to fee-based or advisory programs because of those limitations. Fee-based accounts typically offer a higher level of service than brokerage, and generally have higher fees to compensate for the additional services.

Who Participated?

43% U.S. Financial Advisors

Representing

27% Retirement Savings Assets in the Market

FEWER OPTIONS FOR SAVERS

53% **of firms are limiting access to advised brokerage** for retirement accounts, impacting **10.2 million accounts** and $900 billion assets under management.

95% **of firms reduced access to products** typically offered to retirement savers, including mutual funds, annuities, fixed income, private offerings, and more; impacting **22.8 million accounts**.

67% of firms have reduced the number of mutual funds offered to retirement investors

INCREASED COMPLIANCE COSTS

Start-up costs to broker-dealers due to the Rule far exceed the DOL's 2016 estimates

$2-3B
ESTIMATED COST BY DOL

MORE THAN
$4.7B
ACTUAL PROJECTED COST

$700 million annually in ongoing projected costs for Rule compliance

Study Conducted for SIFMA by Deloitte & Touche LLP: *The DOL Fiduciary Rule: A study on how financial institutions have responded and the resulting impacts on retirement investors,* August 9, 2017