



A Long Overdue Update for Retirement Savings Protections

Filed in [Wages and Benefits](#), [Health and Retirement Benefits](#) • By: [Lisa M. Gomez](#) • October 31, 2023

Retirement Security Rule



Submit Feedback

When you're saving for retirement, there are lots of important decisions you need to make. It can feel overwhelming to think about your financial future and navigate the world of complex financial products. There's an entire industry of investment professionals who advertise themselves as trusted experts who can help you prepare to retire. They offer personalized recommendations, based on your individual interests. These include registered investment advisers, brokers, insurance agents, financial planners, and other investment professionals.

Many families hire those professionals and have great success – their advisers provide sound advice, and over the course of a career, their savings grow. When the worker is ready, they have a financially secure retirement to look forward to. Unfortunately, too many others have a different experience.

Some financial professionals recommend investments not because they are best for *you*, but because they are best for *the adviser's* bottom line. Sometimes, their advice is tainted by financial incentives and conflicts of interest that don't line up at all with your financial needs and goals. This is no small problem: America's retirement savers lose *billions* of dollars every year because of investment advice that steers them in the wrong direction.

That's why the Department of Labor is releasing a new retirement security proposal that aims to ensure that when individuals hire a financial adviser, they know that the advice they are getting is truly based on their financial best interest, rather than conflicted investment advice.

The bad advice, excess fees and costs, and financial losses that this proposed rule aims to do away with are all obviously bad for individuals who are trying to save for retirement. But the proposal also seeks to address a big problem for all the trustworthy and well-intentioned financial advisers who already take very good care of their clients and play an essential role in helping people secure the financial cushion they need. Some advisers are already required to act in your best interest, but many others aren't accountable to the same legal standard. It's not easy to compete in a marketplace where your competition is not acting in their client's best interest! Conflicted advice erodes the public's confidence in the industry, which leads to worse results for savers and trustworthy investment professionals alike.

This rule will level the playing field and make sure that all advisers are competing under a common best interest standard when they make recommendations about retirement investments. And it's about time. This updates a rule originally written in 1975, when IRAs were rare and 401(k)s did not exist. Most workers at that time received their retirement benefits in the form of a traditional pension, so it was not necessary for them to seek individual investment advice. Now that our retirement systems have changed, it's time to update the rules so that consumers are protected and financial professionals are competing fairly.

President Biden's economic vision is one where working families finally have a bit more breathing room. It's one that works from the bottom up and the middle out – not the top down. He's pledged to be the most pro-worker president in history, and the Biden-Harris administration has been delivering on that promise by lowering costs, empowering workers and promoting competition across all industries. This proposal achieves those goals and will make it much easier for people to invest their hard-earned retirement savings confidently so that they can eventually enjoy the carefree retirement that they deserve.

We want your feedback: [Read the full text of the proposed rule and learn how to submit comments here.](#)

Lisa M. Gomez is the assistant secretary for employee benefits security in the U.S. Department of Labor.

Tags: [Employee Benefits Security Administration](#), [retirement savings](#), [Retirement Security](#), [fiduciary responsibilities](#)

Submit Feedback

SHARE THIS:

[How IUPAT's Bridge Programs Open Doors to Good Jobs](#)

[How Mexico is Bringing Child Labor Out of the Shadows](#)

RELATED POSTS

MORE FROM AUTHOR



[Are You a Woman Nearing Retirement? We Can Help.](#)



[8 Tips for Protecting Your Retirement Savings Online](#)



[A New Year's Resolution: Prepare for Retirement!](#)



[Start Saving for Retirement Now!](#)

[Scroll to top ↑](#)

Stay Connected! Sign up to receive Department of Labor updates.

Email Address

SUBSCRIBE

[Agencies](#)

[Forms](#)

[Guidance Search](#)

[FAQ](#)

[About DOL](#)

[News](#)

[Contact Us](#)

Submit Feedback

FEDERAL GOVERNMENT

[White House](#)

[Benefits.gov](#)

[Coronavirus Resources](#)

[Disaster Recovery Assistance](#)

[DisasterAssistance.gov](#)

[USA.gov](#)

[Notification of EEO Violations](#)

[No Fear Act Data](#)

[U.S. Office of Special Counsel](#)

LABOR DEPARTMENT

[About DOL](#)

[Guidance Search](#)

[Español](#)

[Office of Inspector General](#)

[Subscribe to the DOL Newsletter](#)

[Read the DOL Newsletter](#)

[Emergency Accountability Status Link](#)

[A to Z Index](#)

ABOUT THE SITE

[Freedom of Information Act](#)

[Disclaimers](#)

[Plug-Ins Used on DOL.gov](#)

[Accessibility Statement](#)



U.S. DEPARTMENT OF LABOR

200 Constitution Ave NW

Washington, DC 20210

[1-866-4-USA-DOL](tel:18664USA-DOL)

[1-866-487-2365](tel:18664872365)

www.dol.gov

Connect With DOL



[Site Map](#) |

[Important Website Notices](#) |

[Privacy & Security Statement](#)