

Administration of Barack Obama, 2016

**Message to the House of Representatives Returning Without Approval
Legislation Regarding Congressional Disapproval of the Department of
Labor's Final Conflict of Interest Rule**

June 8, 2016

To the House of Representatives:

I am returning herewith without my approval H.J. Res. 88, a resolution that would nullify the Department of Labor's final conflict of interest rule. This rule is critical to protecting Americans' hard-earned savings and preserving their retirement security.

The outdated regulations in place before this rulemaking did not ensure that financial advisers act in their clients' best interests when giving retirement investment advice. Instead, some firms have incentivized advisers to steer clients into products that have higher fees and lower returns—costing America's families an estimated \$17 billion a year.

The Department of Labor's final rule will ensure that American workers and retirees receive retirement advice that is in their best interest, better enabling them to protect and grow their savings. The final rule reflects extensive feedback from industry, advocates, and Members of Congress, and has been streamlined to reduce the compliance burden and ensure continued access to advice, while maintaining an enforceable best interest standard that protects consumers. It is essential that these critical protections go into effect. Because this resolution seeks to block the progress represented by this rule and deny retirement savers investment advice in their best interest, I cannot support it. I am therefore vetoing this resolution.

BARACK OBAMA

The White House,
June 8, 2016.

Categories: Bill Signings and Vetoes : Financial advisers conflict of interest, legislation nullifying Department of Labor rule, veto message.

Subjects: Labor, Department of : Financial advisers, conflict of interest regulations; Social Security and retirement : Retirement accounts :: Financial advisers, fiduciary responsibility.

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