

# DOL Proposes 60-Day Delay of Fiduciary Rule Applicability

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The DOL's proposal, [published today](#), seeks to delay the applicability date of [the fiduciary rule](#) for 60 days and solicits comments on the rule's impact on the financial services industry. In effect, starting today, the DOL will be running two parallel rulemaking processes: one expedited process to finalize the short-term delay of the rule and a second process to complete a broader examination of the rule. The broader examination is a result of [President Trump's executive memorandum](#) directing the DOL to examine the impact of the rule and to rescind or revise the rule if the DOL reaches certain conclusions. The DOL noted that without the 60-day delay, if the examination prompts the DOL to propose rescinding or revising the rule, stakeholders would face two major shifts in the regulation rather than one.

To put today's action in perspective, assuming the short-term delay is approved, the fiduciary rule would become applicable on June 9, 2017. The comment period for comments on the broader examination is 45 days and will conclude by mid-April, giving the DOL less than two months to consider all comments received and decide whether to further delay, rescind or revise the rule.

As a practical matter, the applicability of the fiduciary rule will likely be delayed for now, but the ultimate fate of the rule remains uncertain and will depend on a variety of factors, including the comments received by the DOL, how the DOL will conduct the examination, any further direction or guidance from the Trump Administration and, if confirmed, how R. Alexander Acosta (the current nominee for Secretary of Labor) views the rule and would lead the DOL during this process.

Financial institutions, many of whom have already stated publically that they had undertaken significant steps toward complying with the fiduciary rule, still do not have a clear answer on when they will ultimately be required to comply with the rule and what the final rule (if it is not fully rescinded) will look like.

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If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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