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Cynthia M. Lummis
Congress of the United States
Wyoming

July 8, 2011

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EXEC. SECRETARIAT
OSEC-DOL
DEPT. OF LABOR
WASH D.C. 20210

The Honorable Hilda L. Solis
U.S. Department of Labor
Frances Perkins Building
Third Street and Constitution Avenue, NW
Washington, DC 20210

Dear Secretary Solis:

I write to express my concern regarding the Department of Labor's proposed changes to the regulatory structure for and definition of "fiduciary". I urge you to suspend the rulemaking in order to examine and address potential adverse consequences for Individual Retirement Account (IRA) holders.

I am concerned that the proposal could result in investors receiving less investment information at a higher cost. The Department's proposal would limit access to the commission-based compensation model used by brokers that serves the IRA plan market. This could eliminate access to investment services for millions of individuals, particularly middle-income investors for whom the fee-based compensation model is either unaffordable or inaccessible because of account minimums. A recent study by the Oliver Wyman Group concluded that over 7 million IRAs would lose access to investment services because of this regulation. The same report found that approximately 360,000 fewer IRAs would be opened each year.

In light of these findings, I am concerned that the Department did not conduct a separate economic analysis on the proposal's effects on the availability of IRAs and the cost of services to individuals owning IRAs. Any attempt to change the regulatory structure governing investment relationships in the retirement planning marketplace should be supported by economic data and designed to avoid disruption and uncertainty for investors.

I am troubled by the Department's apparent plan to move quickly and haphazardly to implement this regulation. It is unworkable in its current form and there is evidence that it could have detrimental consequences for investors. As such, I urge you to suspend the

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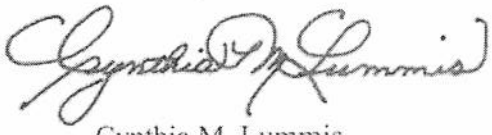
rulemaking process and perform the analysis necessary to determine the impacts on IRA holders before any final regulations are promulgated.

Thank you in advance for your attention to this request. I look forward to your timely response.

Sincerely,



Cynthia M. Lummis
Member of Congress