

Focus on Funds: Expect Major Policy Shifts in 2017

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Significant changes in Washington, DC, could mean significant changes in the regulatory and policy outlook for the fund industry. ICI General Counsel David Blass takes a look at the implications in the January 13, 2017, edition of *Focus on Funds*.

Transcript

Stephanie Ortvals-Tibbs, ICI Director, Media Relations: Change is in the air. So what does that mean for the regulatory climate for funds and their investors? ICI General Counsel David Blass shared some insight.

David Blass, ICI General Counsel: There's been a lot of talk about tax reform in the US. We'll be watching the debate about tax reform to ensure that we retain the incentive for retirement savings. That's a very important priority for us and for the nation's retirement savers.

We'll be looking at the Department of Labor's fiduciary rule, set to go into compliance in April 2017. We continue to believe, as we told the DOL before, that if that rule goes into effect as currently drafted, it can be very damaging for many retirement savers, especially those with small accounts who may lose access to advice, and many others will be paying more for the advice than they did before.

Ortvals-Tibbs: And the SEC is also very busy.

Blass: Of course, we have the full suite of rules that are coming on board at the SEC—that's the liquidity risk management rule, data reporting, there's also swing pricing. We've organized a number of working groups and we're putting on a number of educational events throughout 2017 to help members get ready for compliance.

Ortvals-Tibbs: There's also a coming legislative proposal that not everybody in the industry may be following yet—it's called the CHOICE Act. Can you tell us about that?

Blass: So the CHOICE Act is a bill that Financial Services Committee Chairman Jeb Hensarling [R-TX] has put forward that reforms the Financial Stability Oversight Council [FSOC] and has a lot of other changes in it. A number of them are targeted more to the banking community, but the reform of the Financial Stability Oversight Council is long needed, and we'll be watching that bill very closely as it moves forward in the House of Representatives.

Additional Resources

- [“Investor Protection Priorities for the New Year”](#): Remarks by ICI General Counsel David Blass Before the SEC Investor Advisory Committee
- [Understanding Tax-Deferred Benefits](#)
- [ICI DOL Fiduciary Rule Resource Center](#)

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