Infographic

# The Consequences of the Fiduciary Rule

MEGHAN MILLOY | APRIL 15, 2017

The American Action Forum (@AAF) released a new infographic detailing the consequences of the fiduciary rule for consumers. According to the research, the fiduciary rule is the second most expensive non-environmental regulatory rule since 2005 and could end up costing consumers an additional $46.6 billion. AAF goes on to find that the fiduciary rule could reduce operating margins on commission-based IRAs by 24 to 36 percent. Read more here.

# THE CONSEQUENCES OF THE FIDUCIARY RULE

The fiduciary rule is the most expensive regulatory action of 2016 and the second most expensive non-environmental rule since 2005.

It has the potential to increase consumer costs by :

**$46.6 BILLION**

OR

**$813**
per account
*(annually)*

+

**$1,500**
in duplicative fees will be added for retirement savers that have already paid a fee on their accounts

Based on a minimum balance requirement of $30,000 :

**28 MILLION**
Americans will be out of managed retirement accounts completely

Wealth management firms covered under the fiduciary rule will see annual litigation costs up to :

**$150 MILLION**
as a result of class-action lawsuits from the Best Interest Contract Exemption and wasted resources

AAF

The Department of Labor's fiduciary rule is well-intended, but the costs it imposes, especially to low- and middle-income consumers, are too high to justify implementing the rule as it is currently written.