



A Collaborative Approach on a Best Interest Standard of Conduct

In addition to the SEC, other policymakers are considering enhancements to current rules that protect consumers in financial transactions.

The National Association of Insurance Commissioners (NAIC) is working to enhance consumer protections in its Suitability in Annuity Transactions Model Regulation. The model, which 48 states have adopted in some form, establishes standards for determining whether an annuity is suitable for a particular client and requires life insurers to oversee recommendations to purchase a variable annuity. The NAIC is aiming to finalize the model's revisions by the end of 2019.

While there are some [important differences](#) that still must be reconciled, the NAIC's latest draft model revisions are similar to the SEC's Regulation Best Interest. We encourage the NAIC to continue its collaboration with the SEC as it moves forward.

At a congressional hearing on May 1, Labor Secretary Alexander Acosta said the department would issue a revised fiduciary rule later this year.

ACLI is committed to a uniform, harmonized best interest standard of care for annuities and securities transactions across all state and federal regulatory platforms for financial services firms and financial professionals. For this reason, ACLI encourages the SEC to coordinate with the NAIC, and the Labor Department as well as FINRA and Congress to develop a harmonized and uniform best interest standard of care for investment advice.

A collaborative approach would ensure all consumers—regardless of where they live or the financial products they purchase—receive retirement savings information and related financial guidance that is in their best interest.