



CFP Board, FPA get busy after Missouri bans CFP designation

By Ann Marsh

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Two months ago, Missouri passed legislation that technically will forbid planners in the state from calling themselves CFPs starting January 1.

In reality, that's not going to happen, but the move — and another legislative close call in Louisiana about a month earlier — has spurred the CFP Board and the FPA to join forces with other nonprofits to stay abreast of similar policies bubbling in state legislatures elsewhere.

About 50 different groups have become members of a newly formed nonprofit, the Professional Certification Coalition based in Washington, that plans to monitor similar legislative moves. The unifying aim is to preserve the word "certification" for use by legitimate private organizations, says Maureen Thompson, the CFP Board's vice president for public policy.

"We are going to cast our nets wider so we are not caught unawares again," Thompson says. "The bills that were introduced were not the problem. ... It was the way they got amended."



Craig Saperstein, a lawyer for the PCC, says that, as of yet, he's not been authorized to release the names of the member groups. But they include nonprofits serving white-collar professionals, as well as those representing more blue-collar workers from, for example, the restaurant industry.

"There are a pretty wide variety of organizations," Saperstein says.

Lawmakers in Missouri were trying to crack down on supposedly spurious designations — for dog walkers, for example, or people who braid hair — by forbidding private groups to offer certifications, Thompson says. Legislators there felt that any certifying should be done by the state, she adds.

Signed into law as one of the last official acts of then-Governor Eric Greitens, the legislation was never aimed at hindering CFP certifications.

"That was not the intention of the bill," says Lynn Overton, an assistant in the office of the Missouri state representative, Derek Grier, who sponsored the bill. Despite its passage, Overton says, the state is "not planning on restricting any of the [state's] financial planners."

In Louisiana, an amendment to a bill in April would have required state permission for any organization to offer certifications. In this instance, the CFP Board and the FPA learned about the effort and teamed up with other credentialing bodies in enough time to convince state lawmakers to rethink how the issue was framed, Thompson says.

"The bill's sponsor in Louisiana ended up saying, 'Look, this provision that got put in my bill is completely contrary to what I was intending to do,'" Thompson says. "So when the House bill went over with that in it to the Senate, they took the amendment out."

Given the quality of the PCC's two founding organizations, Saperstein believes it will attract other high-quality certifying bodies, among its members.

That's because one of them, the Institute for Credentialing Excellence, certifies quality nonprofits. The institute's division, the National Commission for Certifying Agencies, accredits the CFP Board. The other founding organization, the American Society of Association Executives, certifies nonprofit executives. FINRA's website lists a total of 184 designations financial planners can and do obtain, many of which require little more than a couple of hours of work and are not sanctioned by the NCCA.

When it comes to state-level lawmaking, the PCC is not looking to insert itself into any legislative efforts to clear roadblocks for low-wage workers, like dog walkers, to enter the workforce, Saperstein says. In fact, the group's aim is largely apolitical, he says.

"We are kind of staying out of those debates about what should be licensed and what shouldn't be," he says. "Our main concern right now is if a person takes the time and the effort to achieve a professional certification, they should be able to hold themselves out as having it."

Warren McIntyre, a CFP with VisionQuest Financial Planning in Troy, Michigan, says he's glad the board is deploying its lobbying weight and his dues to protect the designation.

"If you can't use it," McIntyre says, "that's the worst thing."



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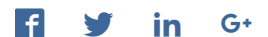
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