



September 28, 2015

The Honorable Jeb Hensarling
Chairman, House Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20005

The Honorable Maxine Waters
Ranking Member, House Committee on Financial
Services
2129 Rayburn House Office Building
Washington, DC 20005

Dear Chairman Hensarling and Ranking Member Waters,

SIFMA supports the Committee adoption of H.R. 1090, the Retail Investor Protection Act, which would require the Securities Exchange Commission (SEC) to take the first action in establishing a uniform fiduciary standard. SIFMA has long supported the SEC moving forward to establish a uniform best interests standard for broker-dealers and registered investment advisors when providing personalized investment advice. Further, we have consistently argued that the SEC should take the lead in this effort and apply such a standard across the entire retail investment market. We believe this is consistent with the intent of Congress under Section 913 of Dodd-Frank Act, which we strongly supported.

Notwithstanding the well meaning intentions of the Department of Labor, we believe their proposal would result in bifurcated and conflicting standards, redundant compliance regimes and unnecessary investor confusion and cost. SIFMA supports a strong, substantive best interests standard that applies across all investment recommendations made to individual retail customers in all investment accounts, not just limited to retirement accounts. Additionally, we believe such a uniform standard should follow the traditional securities regulatory approach establishing a heightened benchmark, including robust disclosure, coupled with robust examination, oversight and enforcement by the SEC, FINRA and state securities regulators.

In our view, H.R. 1090 is drafted in such a way that appropriately underscores the lead role of the SEC as the nation's primary securities regulator with a long history of investor protection, market regulation and enforcement. Again, this is what Congress intended when it adopted Section 913. Further, we believe that nothing in H.R. 1090 precludes the SEC in acting, and is consistent with action the SEC has already taken. It is our hope that through Committee adoption of H.R. 1090 the SEC will be further encouraged to act on its authority under Section 913 of the Dodd Frank Act.

With this in mind, we urge the Committee to support H.R. 1090.

Sincerely,

A handwritten signature in black ink that reads "Andy Blocker". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Andy Blocker
Executive Vice President, Public Policy and Advocacy

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