



July 11, 2018

The Honorable Jeb Hensarling
Chairman, House Committee on Financial
Services
2228 Rayburn House Office Building
Washington, DC 20515

The Honorable Maxine Waters
Ranking Member, House Committee on
Financial Services
2221 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Hensarling and Ranking Member Waters:

The Securities Industry and Financial Markets Association (SIFMA)¹ would like to express our support for the Amendment in the Nature of a Substitute to H.R. 6323, the National Senior Investor Initiative Act of 2018, introduced by Rep. Josh Gottheimer (D-N.J.) and Rep. Trey Hollingsworth (R-Ind.). This bipartisan bill creates a “Senior Investor Taskforce” within the Securities and Exchange Commission charged with identifying problems senior investors encounter, including financial exploitation and cognitive decline and identifying regulatory changes that could help senior investors. The Taskforce would report to Congress every two years on key observations, best practices, and areas for improvement identified throughout its work. Additionally, the bill requires the GAO to conduct a study on the economic costs of the financial exploitation of elder investors. The lack of good, recent data on senior financial exploitation is a problem that this section would significantly aid in resolving.

The population of senior investors is rapidly increasing. By 2030, seniors aged 65+ will account for 18% of the nation's population. Americans over the age of 50 already account for roughly 77% of financial assets in the United States. It is estimated that senior investors are being exploited out of billions of dollars a year (roughly \$3 billion per year in media-reported cases alone, while only an estimated 1 in 44 cases are reported to the authorities). This cost does not even begin to consider the wide-ranging non-financial impacts and the increased reliance on government services.

Most appalling is that the great majority of exploiters are friends, neighbors or other trusted individuals. A recent New York State study found that family members and caregivers were the bad actors in about 67% of all confirmed exploitation cases, and some studies place that number even higher. SIFMA strongly supports any efforts that focus on the most immediate and most damaging dangers faced by senior investors and believes H.R. 6323 will strengthen efforts to protect these investors from those bad actors closest to them.

¹ SIFMA is the voice of the U.S. securities industry. We represent the broker-dealers, banks and asset managers whose nearly 1 million employees provide access to the capital markets, raising over \$2.5 trillion for businesses and municipalities in the U.S., serving clients with over \$18.5 trillion in assets and managing more than \$67 trillion in assets for individual and institutional clients including mutual funds and retirement plans. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA). For more information, visit <http://www.sifma.org>.



SIFMA appreciates the bipartisan attention paid to this important issue, and recommends the Committee pass this commonsense legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "David Oxner", is written over a light blue horizontal line.

David J. Oxner
Managing Director, Head of Federal Government Relations

cc: The Honorable Josh Gottheimer; The Honorable Trey Hollingsworth