



March 8, 2021

The Honorable Nancy Pelosi
Speaker of the House of Representatives
H-232, U.S. Capitol
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader, House of Representatives
H-204, U.S. Capitol
Washington, DC 20515

Dear Speaker Pelosi and Minority Leader McCarthy,

The Securities Industry and Financial Markets Association (SIFMA)¹ would like to express our support for H.R. 1565, the Senior Security Act of 2021, 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, as well as 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 provision 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 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. 1565 will strengthen efforts to protect these investors from those bad actors closest to them.

¹ SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry's nearly 1 million employees, we advocate for legislation, regulation and business policy, affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. 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 House pass this commonsense legislation.

Sincerely,

A handwritten signature in blue ink, which appears to read "Mark Schuermann". The signature is fluid and cursive, written in a professional style.

Mark Schuermann
Managing Director, Head of Federal Government and International Affairs
SIFMA

cc: The Honorable Josh Gottheimer; The Honorable Trey Hollingsworth