

Congress of the United States
Washington, DC 20515

July 26, 2018

Chairman Jay Clayton
Securities and Exchange Commission
100 F St. NE
Washington, D.C. 20549

Chairman Clayton,

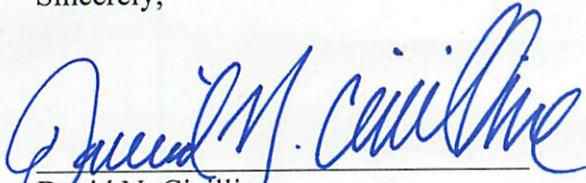
We write today regarding a rulemaking proposal passed in April, designated Regulation Best Interest. We believe that a high standard must be set to protect consumers from bad advice, and we were disappointed to see the Second Circuit court uphold the vacation of the Department of Labor's fiduciary rule in June. While it is clear that regulations must be enacted to replace the fiduciary rule, we have heard a number of concerns from licensed financial advisors regarding Regulation Best Interest. To help assuage their concerns, we urge you to both publicly release the results of internal testing currently being conducted regarding this proposal as soon as results have been tabulated, and to extend the public comment period on Regulation Best Interest for 90 days after those results are made public. This will allow affected parties time to understand fully whether these new regulations adequately protect consumers from bad financial actors and advice.

Every investor deserves to know that their financial advisor is providing them with accurate information, free from conflicts of interest. Consumers cannot be expected to trust our financial sector if those responsible for providing investors with advice are not required to act in the best interests of their clients. While we are pleased that Regulation Best Interest does take steps to require that registered financial advisors are held to a fiduciary standard, the lesser "best interest" standard for brokers and dually registered representatives raises some concerns. Consumers might not be aware of the differences between these two standards, leading to investor confusion regarding brokers' responsibility to act in the best interest of their clients.

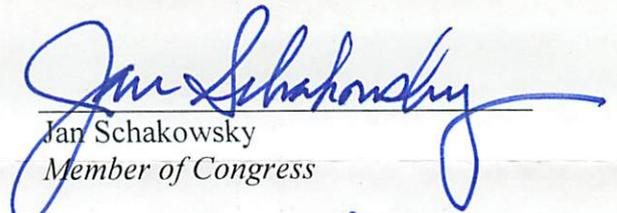
That is why we urge you to make the results of the internal testing currently being conducted public as soon as possible. Hopefully, these results will illustrate whether Regulation Best Interest provides investors with adequate information regarding differences between the standards brokers and registered financial advisors will be held to. Regardless of the test's outcome, however, we ask that you release results immediately after their formulation to avoid any unnecessary delay in implementing an effective rule. Additionally, we ask that you extend the comment period for this regulation for 90 days after the test results are made public. Those affected by this new rulemaking proposal deserve time to examine the test's results and offer public comment. Should the public comment period end on August 7 as currently planned, it is likely that investors and financial advisors will not have an opportunity to weigh in on Regulation Best Interest with a complete understanding of its effects on our financial sector.

With the Second Circuit's decision to uphold the fiduciary rule's elimination, regulations written to protect investors from bad financial advice are desperately needed. Please make test results available as soon as possible, and extend the comment period for Regulation Best Interest to ensure that affected parties have an opportunity to point out any potential problems with these new rules. Thank you for considering our request.

Sincerely,



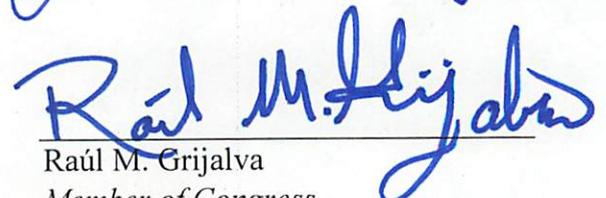
David N. Cicilline
Member of Congress



Jan Schakowsky
Member of Congress



Rosa L. DeLauro
Member of Congress



Raúl M. Grijalva
Member of Congress