



August 28, 2020

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Office of Exemption Determinations
Employee Benefits Security Administration
United States Department of Labor

**Re: REQUEST TO TESTIFY
Hearing on Improving Investment
Advice for Workers & Retirees
Docket ID Number EBSA-2020-0003**

To Whom It May Concern:

The North American Securities Administrators Association, Inc. (“NASAA”)¹ submitted a comment letter on August 6, 2020² in response to the notice of proposed class exemption published by the Department of Labor (“DOL”), entitled *Improving Investment Advice for Workers & Retirees*, 85 Fed. Reg. 40834 (July 7, 2020). NASAA hereby requests the opportunity to present testimony in response to DOL’s announcement of a hearing on this matter, 85 Fed. Reg. 52292 (Aug. 25, 2020).

NASAA intends to present its member representative, Ohio Securities Commissioner Andrea Seidt. Commissioner Seidt serves as the Chair of NASAA’s Regulation Best Interest Implementation Committee (the “Committee”) and she will present findings from a coordinated examination sweep conducted by 34 states earlier this year.³ The state sweep examined policies, procedures, and practices of more than 2,000 broker-dealer and investment adviser firms servicing over 68 million retail investor accounts as part of an ongoing NASAA effort to assess the potential impact of Regulation Best Interest, 17 C.F.R. § 240.151-1 (2019). Findings from the sweep would add valuable timely content to the DOL’s factual record and

¹ Organized in 1919, NASAA is the oldest international organization devoted to investor protection. NASAA’s membership consists of the securities administrators in the 50 states, the District of Columbia, Canada, Mexico, Puerto Rico, and the U.S. Virgin Islands. NASAA is the voice of securities agencies responsible for grass-roots investor protection and efficient capital formation.

² NASAA’s comment letter is available at <https://www.nasaa.org/wp-content/uploads/2020/08/NASAA-DOL-Comment-Letter-8-6-2020.pdf>.

³ Findings from the state sweep were not included in NASAA’s comment letter because they had not been released publicly outside of the NASAA membership prior to the DOL’s deadline for comment submissions.

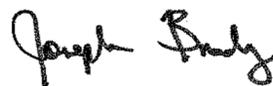
help inform standards of conduct under DOL's proposed class exemption. Specifically, Commissioner Seidt will discuss the Committee's observations regarding:

- differences in the nature of products recommended by investment advisers and broker-dealers, with special attention given to product types that have been subjected to heightened DOL scrutiny as part of this ongoing rulemaking effort;
- differences in broker-dealer and investment adviser policies, procedures, and practices relating to:
 - fees for various account types, including retirement account rollovers;
 - compensation, with special attention to sales contests, quotas, and bonuses as well as the receipt of third-party compensation and payment of differential compensation;
 - the disclosure of readily available, lower-cost investment options;
 - firm management of financial incentive conflicts; and
 - use of titles that convey a special relationship of trust and confidence.

Based on these findings, Commissioner Seidt will provide informed opinions regarding the proposed class exemption's ability to redress consumer harms emanating from conflicted advice in the securities industry. Commissioner Seidt's remarks would be "both germane to factual issues needing exploration at the hearing that could not have been submitted in writing" and "not duplicative of arguments and factual material previously included in the requestor's comment letter." 85 Fed. Reg. 52293.

Please contact NASAA's General Counsel, Vince Martinez (vlm@nasaa.org), to notify NASAA of DOL's decision to accept or decline Commissioner Seidt's testimony.

Sincerely,



Joseph Brady
Executive Director
North American Securities
Administrators Association