



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

October 17, 2019  
(House)

## STATEMENT OF ADMINISTRATION POLICY

### H.R. 1815 – SEC Disclosure Effectiveness Testing Act

(Rep. Casten, D-IL)

The Administration strongly opposes passage of H.R. 1815, the *SEC Disclosure Effectiveness Testing Act*. This legislation would undermine the positive steps already being taken by the Securities and Exchange Commission (SEC) to ensure that broker-dealers act in the best interests of their customers. These steps include adopting Regulation Best Interest (Reg BI) and a new short-form client relationship summary disclosure (Form CRS). Reg BI and Form CRS enhance existing legal requirements under the Federal securities laws, to the benefit of retail customers. They help ensure that retail investors are not only well served by their broker-dealers, but also understand the duties and obligations of their broker-dealers. Before adopting Reg BI and Form CRS, the SEC undertook a lengthy notice and public comment process, which generated comments that it considered and incorporated into the final regulation and disclosure. The SEC also conducted a robust cost-benefit analysis of Reg BI and investor testing on the proposed Form CRS prior to their final adoption. As a result, H.R. 1815 would duplicate the efforts the SEC has already taken and effectively delay the full implementation of the important investor protections.

If H.R. 1815 was presented to the President, his senior advisors would recommend that he veto it.

\* \* \* \* \*