

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

NEIL L. BRADLEY
SENIOR VICE PRESIDENT &
CHIEF POLICY OFFICER

1615 H STREET, NW
WASHINGTON, DC 20062
(202) 463-5310

May 1, 2017

TO THE MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES:

The U.S. Chamber of Commerce strongly supports H.R. 910, the “Fair Access to Investment Research Act of 2017” and H.R. 1312, the “Small Business Capital Formation Enhancement Act,” which would help encourage domestic economic growth.

H.R. 910, the “Fair Access to Investment Research Act of 2017,” would provide a much needed legal safe harbor for broker-dealers who publish research reports on exchange-traded funds (ETFs). Broker-dealers currently have a safe harbor under the securities laws for research related to equity offerings, but do not have a similar safe harbor for ETFs despite the growing popularity of the product, particularly amongst retail investors. While the global ETF market has grown to over \$3 trillion in assets, there is a relative dearth of research surrounding ETFs, creating an information desert for investors. H.R. 910 would provide legal certainty for broker-dealers who wish to publish research and analysis on this vital product, which would help facilitate the flow of capital without compromising investor protection.

H.R. 1312, the “Small Business Capital Formation Enhance Act,” would require that the Securities and Exchange Commission (SEC) review the findings and recommendations of the annual Government-Business Forum on Small Business Capital Formation, and disclose any action the SEC intends to take with each recommendation. The SEC has held this annual forum since 1982, but has routinely ignored many of the positive recommendations made by market participants. Requiring the SEC to at least take notice and be responsive to the recommendations each year would better help the agency fulfill its mandate to facilitate capital formation.

Passage of these bills would improve the ability of businesses to raise capital, contribute to stronger economic growth, and provide certainty for market participants. The Chamber urges the House of Representatives to pass these measures and send them to the Senate.

Sincerely,



Neil L. Bradley