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FOR IMMEDIATE RELEASE

Tuesday, September 10, 2019

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**STATES' LAWSUIT STANDS UP FOR INVESTORS BY CHALLENGING
THE SEC'S ANTI-INVESTOR INVESTMENT ADVICE RULE**

Washington, D.C. – Stephen W. Hall, Legal Director and Securities Specialist at Better Markets, issued the following statement following news that seven states have filed a lawsuit in Federal Court challenging the SEC's so-called "Regulation Best Interest":

"This is a good day for investors, and we applaud the seven states who have challenged the SEC's indefensibly weak and deceptively labeled "Regulation Best Interest." Every year, millions of everyday investors lose tens of billions of dollars in their hard-earned savings to advisers with conflicts of interest. Investors end up with overpriced, underperforming, and high-risk investments in their accounts while their advisers pocket fat commissions and bonuses. The SEC's rule, adopted in June, was supposed to solve this longstanding problem, but it was grossly deficient, amounting to a weak disclosure rule and a confusing one at that.

"These seven states—New York, California, Connecticut, Delaware, Maine, New Mexico, Oregon, and the District of Columbia—all deserve enormous credit for challenging the rule in court. It should be nullified so it can't lull investors into thinking they're getting protections that don't really exist. Then the SEC should start over and write a true fiduciary duty rule, one that requires advisers always to put the best interest of their clients ahead of their own interest. That's exactly what Congress authorized the SEC to do in the Dodd-Frank Act ten years ago, but the SEC decided to cater to the broker-dealer industry and rejected that approach—against even its own staff recommendation.

"We look forward to the Federal Court reviewing the SEC's action and throwing out the deficient rule, which we hope will precipitate a new process culminating in a rule that truly protects investors. We also look forward to supporting the states as they undertake this necessary and important litigation."

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Better Markets is a non-profit, non-partisan, and independent organization founded in the wake of the 2008 financial crisis to promote the public interest in the financial markets, support the financial reform of Wall Street and make our financial system work for all Americans again. Better Markets works with allies – including many in finance – to promote pro-market, pro-business and pro-growth policies that help build a stronger, safer financial system that protects and promotes Americans' jobs, savings, retirements and more. To learn more, visit www.bettermarkets.com.