

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

NEIL L. BRADLEY
EXECUTIVE VICE PRESIDENT &
CHIEF POLICY OFFICER

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

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

The U.S. Chamber of Commerce believes that absent a bipartisan path forward agreed upon by the Administration and Congress regarding the spending caps established in the Budget Control Act (P.L. 112-25), it is premature for the House to move forward with H.R. 3351, The Fiscal Year 2020 Financial Services and General Government Appropriations Act. In addition, the Chamber strongly opposes three amendments expected to be offered to this legislation.

The Chamber opposes amendments to the bill that would prohibit or freeze certain Securities and Exchange Commission (SEC) rulemakings:

- **Amendment #43/Proxy Advisors:** Reform in this area is long overdue to ensure that voting recommendations are made in the best interests of long-term shareholders, as proxy advisor firms are rife with conflicts of interest, utilize one-size-fits-all voting recommendations, and often base recommendations on inaccurate information and data. The Chamber supports SEC moving forward with regulations for proxy advisory firms would ensure that recommendations are company specific and promote long-term shareholder value.
- **Amendment #44/Shareholder proposal thresholds:** Current outdated thresholds should be enhanced to prevent activist investors and special interest groups from hijacking the proxy meetings of public companies with issues that have nothing to do with long-term shareholder value.
- **Amendment #45/Regulation Best Interest:** The Chamber supports this new rule because it would require broker-dealers to act in the best interests of their clients by mitigating or eliminating conflicts of interest, taking cost and other factors into consideration when making a recommendation, providing enhanced disclosures to investors, and many other new requirements.

Sincerely,



Neil Bradley