

SECURITIES RESEARCH MODERNIZATION ACT

JULY 15, 2025.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HILL of Arkansas, from the Committee on Financial Services,
submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 3672]

The Committee on Financial Services, to whom was referred the bill (H.R. 3672) to amend the Securities Act of 1933 to expand the research report exception to include reports about any issuer that undertakes a proposed offering of public securities, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Securities Research Modernization Act”.

SEC. 2. PROVISION OF RESEARCH REPORT.

Section 2(a)(3) of the Securities Act of 1933 (15 U.S.C. 77b(a)(3)) is amended—
 (a) by striking “an emerging growth company” and inserting “an issuer”;
 (b) by striking “the common equity” and inserting “any”; and
 (c) by striking “such emerging growth company” and inserting “such issuer”.

PURPOSE AND SUMMARY

H.R. 3672, the *Securities Research Modernization Act*, was introduced on June 2, 2025, by Representative Roger Williams (TX–25). H.R. 3672 amends the *Securities Act of 1933* to expand the research report exception to include reports about any issuer that undertakes a proposed offering of public securities.

BACKGROUND AND NEED FOR LEGISLATION

Title I of the *Jumpstart Our Business Startups (JOBS) Act of 2012* attempted to promote the publication of research reports regarding Emerging Growth Companies (EGCs) by deeming the reports a non-offer. The current provision offers limited protection of research reports in the context of an EGC’s proposed offering of its common equity securities. Research analysts remain subject to robust regulation, including Securities and Exchange Commission (SEC) Regulation Analyst Certification and conflict disclosure requirements, FINRA conduct and communications rules, and anti-fraud requirements. H.R. 3672 updates the research report provision to cover all securities of an EGC or any other issuer. The provision warrants expansion, especially considering the importance of research reports to small issuers trying to increase stock liquidity or gain investors’ recognition.

COMMITTEE CONSIDERATION**119TH CONGRESS**

On June 2, 2025, Representative Williams introduced H.R. 3672, the *Securities Research Modernization Act*, with Representative Cleo Fields (D–LA) as an original cosponsor. The bill was referred solely to the Committee on Financial Services.

The bill was attached to the February 26, 2025, hearing titled “The Future of American Capital: Strengthening Public and Private Markets by Increasing Investor Access and Facilitating Capital Formation” and the March 25, 2025, hearing titled, “Beyond Silicon Valley: Expanding Access to Capital Across America.”

On June 10, 2025, the Committee on Financial Services met in open session to consider, among others, H.R. 3672. The Committee ordered H.R. 3672, as amended, to be favorably reported to the House of Representatives.

118TH CONGRESS

On April 13, 2023, Representative Williams introduced H.R. 2576, *To amend the Securities Act of 1933 to expand the research report exception to include reports about any issuer that undertakes a proposed offering of public securities*. This bill is an earlier iteration of H.R. 3672. It was referred solely to the Committee on Financial Services. H.R. 2576 was included as a title in H.R. 2799,

the *Expanding Access to Capital Act of 2023*. On March 8, 2024, the House passed H.R. 2799 by a recorded vote of 212 yeas and 205 nays. It was received in the Senate and referred to the Committee on Banking, Housing, and Urban Affairs.

RELATED HEARINGS

Pursuant to clause 3(c)(6) of rule XIII of the Rules of the House of Representatives, the following hearings were used to develop H.R. 3672:

The Capital Markets Subcommittee of the Committee on Financial Services held a February 26, 2025, hearing titled “The Future of American Capital: Strengthening Public and Private Markets by Increasing Investor Access and Facilitating Capital Formation” and the Full Committee held a March 25, 2025, hearing titled, “Beyond Silicon Valley: Expanding Access to Capital Across America.” A discussion draft version of the bill was attached to both hearings. The following witnesses testified at the February 26, 2025, hearing: Mr. Andrew Barnell, CEO and Co-Founder, Geneoscopy; Mr. McKeever Conwell, Founder and Managing Partner, RareBreed Ventures; Ms. Rebecca Kacaba, CEO and Co-Founder, DealMaker; Ms. Anna Pinedo, Partner, Mayer Brown; and Ms. Alexandra Thornton, Senior Director, Financial Regulation, Center for American Progress. The following witnesses testified at the March 25, 2025, hearing: Mr. Steve Case, Chairman and CEO, Revolution LLC; Mr. Bill Newell, Senior Business Advisor & Former CEO, Sutro Biopharma; Ms. Candice Matthews Brackeen, General Partner, Lightship Capital; Mr. Joel Trotter, Partner, Latham & Watkins LLP; and Ms. Amanda Senn, Director of the Alabama Securities Commission.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee Report to include for each record vote on a motion to report the measure or matter and on any amendments offered to the measure or matter the total number of votes for and against and the names of the Members voting for and against.

On June 10, 2025, the Committee ordered H.R. 3672, as amended, to be reported favorably to the House by a recorded vote of 31 yeas and 19 nays, a quorum being present. (Record Vote No. FC-136).

Before the question to report was called, the Committee adopted an amendment in the nature of a substitute, designated WILLTX 038, which made minor edits and technical changes, offered by Representative Williams (TX). The amendment was adopted by voice vote, a quorum being present.

Committee on Financial Services

Markup 5

Bill: H.R. 3672

June 10, 2025

Measure: H.R. 3672 (as amended)

Amdt.

Motion: to report favorably

Record Vote No.

FC-136

Disposition:

AGREED TO (31-19)

Member	Yea	Nay	Not Voting	Member	Yea	Nay	Not Voting
Chairman Hill	X			Ranking Member Waters		X	
Mr. Lucas	X			Ms. Velázquez		X	
Mr. Sessions	X			Mr. Sherman		X	
Mr. Huizenga	X			Mr. Meeks		X	
Mrs. Wagner	X			Mr. Scott		X	
Mr. Barr	X			Mr. Lynch		X	
Mr. Williams (TX)	X			Mr. Green (TX)		X	
Mr. Emmer	X			Mr. Cleaver		X	
Mr. Loudermilk	X			Mr. Himes		X	
Mr. Davidson	X			Mr. Foster		X	
Mr. Rose	X			Mrs. Beatty			X
Mr. Steil	X			Mr. Vargas		X	
Mr. Timmons	X			Mr. Gottheimer			X
Mr. Stutzman	X			Mr. Gonzalez		X	
Mr. Norman	X			Mr. Casten		X	
Mr. Meuser	X			Ms. Pressley			X
Mrs. Kim	X			Ms. Tlaib		X	
Mr. Donalds	X			Mr. Torres (NY)		X	
Mr. Garbarino	X			Ms. Garcia (TX)		X	
Mr. Fitzgerald	X			Ms. Williams of GA		X	
Mr. Flood	X			Ms. Pettersen		X	
Mr. Lawler	X			Mr. Fields	X		
Ms. De La Cruz	X			Ms. Bynum			X
Mr. Ogles	X			Mr. Liccardo		X	
Mr. Nunn	X						
Mrs. McClain	X						
Ms. Salazar	X						
Mr. Downing	X						
Mr. Haridopolos	X						
Mr. Moore (NC)	X						
	30	0	0		1	19	4

Committee Totals:

31	19	4
Yeas	Nays	Not Voting

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c) of rule XIII of the Rules of the House of Representatives, the findings and recommendations of the Committee, based on oversight activities under clause 2(b)(1) of rule X of the Rules of the House of Representatives, are incorporated in the descriptive portions of this report.

PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the goal of H.R. 3672 is to expand the research report exception under the *Securities Act of 1933* so that all issuers may publish research reports to increase stock liquidity and gain investors' recognition.

COMMITTEE COST ESTIMATE

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison of the costs that would be incurred in carrying out H.R. 3672. The Committee has requested but not received a cost estimate from the Director of the Congressional Budget Office. However, pursuant to clause 3(d)(1) of House rule XIII, the Committee will adopt as its own the cost estimate by the Director of the Congressional Budget Office once it has been prepared.

NEW BUDGET AUTHORITY AND CBO COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the *Congressional Budget Act of 1974* and with respect to requirements of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the *Congressional Budget Act of 1974*, a cost estimate was not made available to the Committee in time for the filing of this report. The Chairman of the Committee shall cause such estimate to be printed in the Congressional Record upon its receipt by the Committee.

UNFUNDED MANDATES STATEMENT

The Committee has requested but not received from the Director of the Congressional Budget Office an estimate of the Federal mandates pursuant to section 423 of the *Unfunded Mandates Reform Act*. The Committee will adopt the estimate once it has been prepared by the Director.

EARMARK STATEMENT

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the resolution and states that the provisions of the bill do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

FEDERAL ADVISORY COMMITTEE ACT STATEMENT

No advisory committees within the meaning of section 5(b) of the *Federal Advisory Committee Act* were created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the *Congressional Accountability Act*.

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the bill establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of the Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

Section 1 provides the short title is the “Securities Research Modernization Act.”.

Section 2. Provision of research report

Section 2 amends the Securities Act of 1933 (15 U.S.C. 77b(a)(3)) by striking “an emerging growth company” and inserting “an issuer”, striking “the common equity” and inserting “any”, and striking “such emerging growth company” and inserting “such issuer”.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

SECURITIES ACT OF 1933

TITLE I—

* * * * *

DEFINITIONS

SEC. 2. (a) DEFINITIONS.—When used in this title, unless the context otherwise requires—

(1) The term “security” means any note, stock, treasury stock, security future, security-based swap, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, fractional undivided interest in oil, gas, or other mineral rights, any put, call, straddle, option, or privilege on any security, certificate of deposit, or group or index of secu-

rities (including any interest therein or based on the value thereof), or any put, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency, or, in general, any interest or instrument commonly known as a “security”, or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing.

(2) The term “person” means an individual, a corporation, a partnership, an association, a joint-stock company, a trust, any unincorporated organization, or a government or political subdivision thereof. As used in this paragraph the term “trust” shall include only a trust where the interest or interests of the beneficiary or beneficiaries are evidenced by a security.

(3) The term “sale” or “sell” shall include every contract of sale or disposition of a security or interest in a security, for value. The term “offer to sell”, “offer for sale”, or “offer” shall include every attempt or offer to dispose of, or solicitation of an offer to buy, a security or interest in a security, for value. The terms defined in this paragraph and the term “offer to buy” as used in subsection (c) of section 5 shall not include preliminary negotiations or agreements between an issuer (or any person directly or indirectly controlling or controlled by an issuer, or under direct or indirect common control with an issuer) and any underwriter or among underwriters who are or are to be in privity of contract with an issuer (or any person directly or indirectly controlling or controlled by an issuer, or under direct or indirect common control with an issuer). Any security given or delivered with, or as a bonus on account of, any purchase of securities or any other thing, shall be conclusively presumed to constitute a part of the subject of such purchase and to have been offered and sold for value. The issue or transfer of a right or privilege, when originally issued or transferred with a security, giving the holder of such security the right to convert such security into another security of the same issuer or of another person, or giving a right to subscribe to another security of the same issuer or of another person, which right cannot be exercised until some future date, shall not be deemed to be an offer or sale of such other security; but the issue or transfer of such other security upon the exercise of such right of conversion or subscription shall be deemed a sale of such other security. Any offer or sale of a security futures product by or on behalf of the issuer of the securities underlying the security futures product, an affiliate of the issuer, or an underwriter, shall constitute a contract for sale of, sale of, offer for sale, or offer to sell the underlying securities. Any offer or sale of a security-based swap by or on behalf of the issuer of the securities upon which such security-based swap is based or is referenced, an affiliate of the issuer, or an underwriter, shall constitute a contract for sale of, sale of, offer for sale, or offer to sell such securities. The publication or distribution by a broker or dealer of a research report about **[an emerging growth company]** *an issuer* that is the subject of a proposed public offering of **[the common equity]** *any securities* of **[such emerging growth company]** *such issuer* pursuant to a

registration statement that the issuer proposes to file, or has filed, or that is effective shall be deemed for purposes of paragraph (10) of this subsection and section 5(c) not to constitute an offer for sale or offer to sell a security, even if the broker or dealer is participating or will participate in the registered offering of the securities of the issuer. As used in this paragraph, the term “research report” means a written, electronic, or oral communication that includes information, opinions, or recommendations with respect to securities of an issuer or an analysis of a security or an issuer, whether or not it provides information reasonably sufficient upon which to base an investment decision.

(4) The term “issuer” means every person who issues or proposes to issue any security; except that with respect to certificates of deposit, voting-trust certificates, or collateral-trust certificates, or with respect to certificates of interest or shares in an unincorporated investment trust not having a board of directors (or persons performing similar functions) or of the fixed, restricted management, or unit type, the term “issuer” means the person or persons performing the acts and assuming the duties of depositor or manager pursuant to the provisions of the trust or other agreement or instrument under which such securities are issued; except that in the case of an unincorporated association which provides by its articles for limited liability of any or all of its members, or in the case of a trust, committee, or other legal entity, the trustees or members thereof shall not be individually liable as issuers of any security issued by the association, trust, committee, or other legal entity; except that with respect to equipment-trust certificates or like securities, the term “issuer” means the person by whom the equipment or property is or is to be used; and except that with respect to fractional undivided interests in oil, gas, or other mineral rights, the term “issuer” means the owner of any such right or of any interest in such right (whether whole or fractional) who creates fractional interests therein for the purpose of public offering.

(5) The term “Commission” means the Securities and Exchange Commission.

(6) The term “Territory” means Puerto Rico, the Virgin Islands, and the insular possessions of the United States.

(7) The term “interstate commerce” means trade or commerce in securities or any transportation or communication relating thereto among the several States or between the District of Columbia or any Territory of the United States and any State or other Territory, or between any foreign country and any State, Territory, or the District of Columbia, or within the District of Columbia.

(8) The term “registration statement” means the statement provided for in section 6, and includes any amendment thereto and any report, document, or memorandum filed as part of such statement or incorporated therein by reference.

(9) The term “write” or “written” shall include printed, lithographed, or any means of graphic communication.

(10) The term “prospectus” means any prospectus, notice, circular, advertisement, letter, or communication, written or by

radio or television, which offers any security for sale or confirms the sale of any security; except that (a) a communication sent or given after the effective date of the registration statement (other than a prospectus permitted under subsection (b) of section 10) shall not be deemed a prospectus if it is proved that prior to or at the same time with such communication a written prospectus meeting the requirements of subsection (a) of section 10 at the time of such communication was sent or given to the person to whom the communication was made, and (b) a notice, circular, advertisement, letter, or communication in respect of a security shall not be deemed to be a prospectus if it states from whom a written prospectus meeting the requirements of section 10 may be obtained and, in addition, does no more than identify the security, state the price thereof, state by whom orders will be executed, and contain such other information as the Commission, by rules or regulations deemed necessary or appropriate in the public interest and for the protection of investors, and subject to such terms and conditions as may be prescribed therein, may permit.

(11) The term “underwriter” means any person who has purchased from an issuer with a view to, or offers or sells for an issuer in connection with, the distribution of any security, or participates or has a direct or indirect participation in any such undertaking, or participates or has a participation in the direct or indirect underwriting of any such undertaking; but such term shall not include a person whose interest is limited to a commission from an underwriter or dealer not in excess of the usual and customary distributors’ or sellers’ commission. As used in this paragraph the term “issuer” shall include, in addition to an issuer, any person directly or indirectly controlling or controlled by the issuer, or any person under direct or indirect common control with the issuer.

(12) The term “dealer” means any person who engages either for all or part of his time, directly or indirectly, as agent, broker, or principal, in the business of offering, buying, selling, or otherwise dealing or trading in securities issued by another person.

(13) The term “insurance company” means a company which is organized as an insurance company, whose primary and predominant business activity is the writing of insurance or the reinsuring of risks underwritten by insurance companies, and which is subject to supervision by the insurance commissioner, or a similar official or agency, of a State or territory or the District of Columbia; or any receiver or similar official or any liquidating agent for such company, in his capacity as such.

(14) The term “separate account” means an account established and maintained by an insurance company pursuant to the laws of any State or territory of the United States, the District of Columbia, or of Canada or any province thereof, under which income, gains and losses, whether or not realized, from assets allocated to such account, are, in accordance with the applicable contract, credited to or charged against such account without regard to other income, gains, or losses of the insurance company.

(15) The term “accredited investor” shall mean—

(i) a bank as defined in section 3(a)(2) whether acting in its individual or fiduciary capacity; an insurance company as defined in paragraph (13) of this subsection; an investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; a Small Business Investment Company licensed by the Small Business Administration; or an employee benefit plan, including an individual retirement account, which is subject to the provisions of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, which is either a bank, insurance company, or registered investment adviser; or

(ii) any person who, on the basis of such factors as financial sophistication, net worth, knowledge, and experience in financial matters, or amount of assets under management qualifies as an accredited investor under rules and regulations which the Commission shall prescribe.

(16) The terms “security future”, “narrow-based security index”, and “security futures product” have the same meanings as provided in section 3(a)(55) of the Securities Exchange Act of 1934.

(17) The terms “swap” and “security-based swap” have the same meanings as in section 1a of the Commodity Exchange Act (7 U.S.C. 1a).

(18) The terms “purchase” or “sale” of a security-based swap shall be deemed to mean the execution, termination (prior to its scheduled maturity date), assignment, exchange, or similar transfer or conveyance of, or extinguishing of rights or obligations under, a security-based swap, as the context may require.

(19) The term “emerging growth company” means an issuer that had total annual gross revenues of less than \$1,000,000,000 (as such amount is indexed for inflation every 5 years by the Commission to reflect the change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics, setting the threshold to the nearest 1,000,000) during its most recently completed fiscal year. An issuer that is an emerging growth company as of the first day of that fiscal year shall continue to be deemed an emerging growth company until the earliest of—

(A) the last day of the fiscal year of the issuer during which it had total annual gross revenues of \$1,000,000,000 (as such amount is indexed for inflation every 5 years by the Commission to reflect the change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics, setting the threshold to the nearest 1,000,000) or more;

(B) the last day of the fiscal year of the issuer following the fifth anniversary of the date of the first sale of common equity securities of the issuer pursuant to an effective registration statement under this title;

(C) the date on which such issuer has, during the previous 3-year period, issued more than \$1,000,000,000 in non-convertible debt; or

(D) the date on which such issuer is deemed to be a “large accelerated filer”, as defined in section 240.12b–2 of title 17, Code of Federal Regulations, or any successor thereto.

(b) CONSIDERATION OF PROMOTION OF EFFICIENCY, COMPETITION, AND CAPITAL FORMATION.—Whenever pursuant to this title the Commission is engaged in rulemaking and is required to consider or determine whether an action is necessary or appropriate in the public interest, the Commission shall also consider, in addition to the protection of investors, whether the action will promote efficiency, competition, and capital formation.

* * * * *

MINORITY VIEWS

H.R. 3672 would allow broker-dealers to provide their clients (i.e., retail and institutional investors) with “research reports” prepared by the broker-dealer itself without it qualifying as a general solicitation. This may give rise to fewer disclosures about the issuer of the securities and concerning conflicts of interest as broker-dealers often earn a commission on the sale of a security, therefore leading to investors receiving misleading or overly favorable advice about a particular investment.

Research reports are comprehensive documents prepared by financial analysts, researchers, or investment firms that evaluate and provide insights on specific securities (such as stocks, bonds, or other investment instruments).¹ These reports aim to inform and help investors make informed decisions by offering an in-depth analysis of the financial health, operations, industry, and prospects of a company or security. Currently, a research report about a security that is offered by a broker-dealer qualifies as a “general solicitation,” unless the issuer is an emerging growth company (EGC).² A general solicitation is a legal term in securities parlance for formally marketing a security to the general public.³ This bill expands the EGC research report carveout, which is a temporary 5 year exemption to help new public companies, to apply to all issuers; in other words, under this bill, broker-dealers would be able to offer research reports about *any* issuer without it counting as a general solicitation.

There are several significant issues with H.R. 3672: first, when something qualifies as a general solicitation, it triggers certain requirements that include (but are not limited to) the broker needing to provide investors with a prospectus containing a detailed description of business, risks factors, and a discussion of the company’s financial condition by management.⁴ By exempting broker-dealer drafted research reports from counting as a general solicitation across the board, this bill deprives investors of important information and disclosures about the securities subject to the research report. Second, when these research reports are produced by the broker-dealer in house, there can be a conflict of interest in terms of what information they choose to include in these reports.⁵ This is because broker-dealers are often paid a commission when their clients buy or sell the security they are issuing the report

¹ Investopedia, “What is a Research Report? How They’re Produced and Impact” (Apr. 6, 2021).

² Latham & Watkins, “Client Alert: The JOBS Act: The 50 Most Frequently Asked Questions” (accessed Jun. 5, 2025).

³ SEC, *Capital Raising Building Blocks: General Solicitation* (Aug. 30, 2024).

⁴ SEC, *General solicitation—Rule 506(c)* (Jun. 28, 2024).

⁵ Melanie Senter Lubin, Commissioner, Office of Attorney General, State of Maryland, *Testimony before the House Financial Services Subcommittee on Capital Markets* (April 19, 2023), at 32.

on—and therefore is incentivized to draft the reports in a way that encourages their clients to purchase those securities.⁶

Furthermore, Regulation Best Interest (or “Reg BI”), which requires a broker-dealer to act in a client’s best interest,⁷ does not apply to a broker-dealer drafted research report unless the report includes a specific recommendation to the client to buy the security in the report.⁸ In other words, a broker-drafted research report does not need to be drafted with investors’ best interests in mind, and could therefore be written to contain biased or misleading information in order to encourage the investor purchase the security that is discussed in the report. Not to mention, investors will have fewer legal remedies against a broker when they make investment decisions in reliance on a product not covered by Reg BI (as would be the case with broker-drafted research reports under this bill).

A prior version of this bill was included as a provision in the large capital markets package H.R. 2799, which did not receive a single Democratic vote in either the Committee markup or on the House floor. It was also previously opposed by multiple investor advocate groups, including AARP, the North American Securities Administrators Association (NASAA), the Consumer Federation of America, Americans for Financial Reform, and Public Citizen.

For these reasons, we oppose H.R. 3672.

Sincerely,

MAXINE WATERS,
Ranking Member.
 NYDIA M. VELÁZQUEZ,
 GREGORY W. MEEKS,
 DAVID SCOTT,
 AL GREEN,
 EMANUEL CLEAVER, II,
 BILL FOSTER,
 JOYCE BEATTY,
 JUAN VARGAS,
 RASHIDA TLAIB,
 SYLVIA R. GARCIA,
Members of Congress.

○

⁶Alexander Thornton, Senior Director, Center for American Progress, Analysis of April 26, 2023, markup bills, on file, (April 21, 2023).

⁷SEC Rule 15l-1 under the Securities Exchange Act of 1934.

⁸From the SEC’s Reg BI Adopting Release (SEC Release No. 34-86031, June 5, 2019): “General communications that are not recommendations, such as television, radio, and billboard advertisements, and research reports that are not directed to a particular retail customer, are not subject to Regulation Best Interest.”