

S 2497

Retail Investor Protection Act of 2016

Congress: 114 (2015–2017, Ended)

Chamber: Senate

Policy Area: Finance and Financial Sector

Introduced: Feb 4, 2016

Current Status: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

Latest Action: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Feb 4, 2016)

Official Text: <https://www.congress.gov/bill/114th-congress/senate-bill/2497>

Sponsor

Name: Sen. Blunt, Roy [R-MO]

Party: Republican • **State:** MO • **Chamber:** Senate

Cosponsors (9 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Capito, Shelley Moore [R-WV]	R · WV		Feb 4, 2016
Sen. Crapo, Mike [R-ID]	R · ID		Feb 4, 2016
Sen. Daines, Steve [R-MT]	R · MT		Feb 4, 2016
Sen. Isakson, Johnny [R-GA]	R · GA		Feb 4, 2016
Sen. Kirk, Mark Steven [R-IL]	R · IL		Feb 4, 2016
Sen. Alexander, Lamar [R-TN]	R · TN		Feb 9, 2016
Sen. Enzi, Michael B. [R-WY]	R · WY		Feb 10, 2016
Sen. Cassidy, Bill [R-LA]	R · LA		Apr 13, 2016
Sen. Scott, Tim [R-SC]	R · SC		Apr 20, 2016

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Feb 4, 2016

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

Bill	Relationship	Last Action
114 HR 1090	Related bill	Oct 28, 2015: Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

Retail Investor Protection Act

This bill prohibits the Secretary of Labor from prescribing any regulation under the Employee Retirement Income Security Act of 1974 (ERISA) defining the circumstances under which an individual shall be considered a fiduciary until 60 days after the Securities and Exchange Commission (SEC) issues a final rule governing standards of conduct for brokers and dealers under specified law.

The Securities Exchange Act of 1934 is amended to prohibit the SEC from promulgating a rule establishing an investment adviser standard of conduct as the standard of conduct of brokers and dealers before it reports to certain congressional committees whether:

- retail investors and other customers are being harmed by brokers or dealers operating under different standards of conduct than those applicable to investment advisers under the Investment Advisers Act of 1940;
- alternative remedies will reduce any confusion or harm to retail investors due to brokers or dealers operating under such different standards of conduct;
- adoption of a uniform fiduciary standard of conduct for brokers, dealers, and investment advisers would adversely impact their commissions and the availability of proprietary products offered by brokers and dealers, as well as the ability of brokers and dealers to engage in principal transactions with customers; and
- adoption of a uniform fiduciary standard of conduct for brokers or dealers and investment advisers would adversely impact retail investor access to personalized, cost-effective investment advice and recommendations.

The SEC shall: (1) publish in the Federal Register formal findings that such rule would reduce retail customer confusion or harm due to different standards of conduct applicable to brokers, dealers, and investment advisers; and (2) consider, when proposing rules, the differences in the registration, supervision, and examination requirements applicable to brokers, dealers, and investment advisers.

Actions Timeline

- **Feb 4, 2016:** Introduced in Senate
- **Feb 4, 2016:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.