



The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES
STATE HOUSE, BOSTON, MA
02133-1054

DAVID F. DECOSTE
STATE REPRESENTATIVE
5TH PLYMOUTH DISTRICT

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January 29, 2020

The Honorable William Francis Galvin,
Office of the Secretary of the Commonwealth
Attn: Proposed Regulations – Fiduciary Conduct Standard
Massachusetts Securities Division
One Ashburton Place, Room 1701
Boston, MA 02108

Dear Secretary Galvin:

I am writing in opposition to the current proposal to create a state specific fiduciary standard for financial representatives. My belief is it will limit clients’ access to professional financial guidance, products, and services. In addition, it will raise costs for my constituents. The citizens of the Commonwealth should be doing more to save for retirement, and we should consider additional options to encourage savings. These regulations, in my opinion and the opinion of dozens of constituents who are in the industry and have contacted me, will discourage savings and investment by making it more difficult for people with modest investment portfolios to engage professional investment advisors.

These proposed regulations on investor choice will force middle income savers to decide between either moving to accounts that may not suit their requirements or operating independently without personal assistance from a licensed financial professional. As an alternative I support the recently established Regulation “Best Interest” standard put into place by the Securities and Exchange Commission. This creates a uniform best interest standard across the entire retail marketplace and preserves my constituents’ access to the current products and services. I urge you to reconsider this proposal and its unintended consequences for Massachusetts investors and consumers.

Sincerely, 

DAVID F. DECOSTE
State Representative
5th Plymouth District
Hanover – Norwell – Rockland

SECURITIES DIVISION
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