



AMERICAN CONSUMER & INVESTOR INSTITUTE

May 3, 2024

Ms. Vanessa A. Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549–1090

Re: Conflicts of Interest Associated with the Use of Predictive Data Analytics by Broker-Dealers and Investment Advisers; File No. S7-12-23

Dear Ms. Countryman:

As a voice for U.S. retail investors, the American Consumer & Investor Institute recently hosted an event on Capitol Hill to hear from lawmakers and experts on the U.S. Securities and Exchange Commission’s (SEC) proposed rule addressing Conflicts of Interest Associated with the Use of Predictive Data Analytics by Broker-Dealers and Investment Advisers.¹

As a supplement to my previous comments on the proposed rule,² I am submitting a recording of our panel discussion with former SEC Commissioner Paul Atkins and former Director of the SEC’s Division of Investment Management Dalia Blass. The video is available here: <https://www.youtube.com/watch?v=MRe8d3nHvkA>.

It is clear from our discussion, and from numerous other comments that have been filed,³ that the proposed predictive data analytics rule should not be finalized. Doing so would jeopardize the tremendous gains that have been made toward expanding access to the stock market and enhancing the financial literacy of millions of new and non-traditional investors.

¹ Conflicts of Interest Associated with the Use of Predictive Data Analytics by Broker-Dealers and Investment Advisers, 88 Fed. Reg. 53960 (Aug. 9, 2023).

² See ACII Comment Letter (Oct. 10, 2023), <https://www.sec.gov/comments/s7-12-23/s71223-270259-652842.pdf>; ACII Commenter Letter (Mar. 26, 2024), <https://www.sec.gov/comments/s7-12-23/s71223-450879-1153642.pdf>.

³ See NASP Comment Letter (Oct. 10, 2023), <https://www.sec.gov/comments/s7-12-23/s71223-270799-653562.pdf>; NBA Comment Letter (Oct. 4, 2023), <https://www.sec.gov/comments/s7-12-23/s71223-268199-645062.pdf>; Martin Luther King Jr. Memorial Foundation Comment Letter (Oct. 24, 2023), <https://www.sec.gov/comments/s7-12-23/s71223-289640-706602.pdf>; NAIFA Comment Letter (Oct. 5, 2023), <https://www.sec.gov/comments/s7-12-23/s71223-268639-646362.pdf>; Congressman Ritchie Torres Comment Letter (Nov. 30, 2023), <https://www.sec.gov/comments/s7-12-23/s71223-305319-785202.pdf>; Finseca; Institute for Portfolio Alternatives; American Securities Association; Insured Retirement Institute; National Association of Insurance and Financial Advisors; and American Benefits Council Joint Comment Letter (Sept. 19, 2023), <https://www.sec.gov/comments/s7-12-23/s71223-261319-615782.pdf>.

With a record number of investors now participating in the stock market, the last thing the SEC should do is take away the tools and resources that are allowing more Americans to build their wealth and secure their financial future.

Sincerely,

Barbara Comstock
Executive Director, American Consumer & Investor Institute