



April 21, 2016

**VIA ELECTRONIC MAIL**

Mr. Brent J. Fields, Secretary  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549-1090

**Re: Comments on FINRA Pay-to-Play Amendments, File No. SR-FINRA-2015-056**

To the Chair and Commissioners:

The Center for Competitive Politics (“CCP”)<sup>1</sup> responds to the concerns recently identified by the Commission in instituting proceedings regarding proposed FINRA Rules 2030 and 4580. 81 Fed. Reg. 19260 (Apr. 4, 2016) (the “Order”),<sup>2</sup> File Number SR-FINRA-2015-056. The Commission has requested “written submissions” concerning “views, data, and arguments with respect to the issues raised by the proposed rule change.” *Id.* at 19268. The Proposed Rules are of particular importance to the Center because, *inter alia*, they limit a fundamental liberty secured by the First Amendment, namely, the ability of covered individuals to make contributions to candidates for public office.<sup>3</sup>

Earlier this year, CCP commented on the proposed rule changes,<sup>4</sup> just as it earlier

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<sup>1</sup> The Center is a § 501(c)(3) organization founded to educate the public concerning the benefits of increased freedom and competition in the electoral process. Toward that end, CCP engages in research, scholarship, and outreach to protect and promote the First Amendment rights of speech, assembly, and petition. CCP also operates a pro bono law center that brings legal challenges to state and federal laws and regulations that unconstitutionally burden the exercise of these freedoms.

<sup>2</sup> Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Order Instituting Proceedings To Determine Whether to Approve or Disapprove Proposed Rule Change To Adopt FINRA Rule 2030 and FINRA Rule 4580 to Establish “Pay-To-Play” and Related Rules, 81 Fed. Reg. 19260 (Apr. 4, 2016).

<sup>3</sup> *Buckley v. Valeo*, 424 U.S. 1, 25 (1976) (per curiam) (right to make contributions to candidates for office “lies at the foundation of a free society”).

<sup>4</sup> *See, e.g.*, David Keating, President, Center for Competitive Politics, MSRB and FINRA Pay-to-Play Rules, File No. SR-MSRB-2015-14, File No. SR-FINRA-2015-056, Jan. 20 2016 available at <https://www.sec.gov/comments/sr-finra-2015-056/finra2015056-8.pdf>.

provided comments directly to FINRA.<sup>5</sup> CCP incorporates those prior comments and analysis here.

Further, CCP respectfully suggests that, because FINRA's proposed rules implicate complex question of constitutional, statutory, and regulatory law—some of which are outside the Commission's specific expertise—the Commission would benefit from oral testimony and the opportunity to question outside experts. Accordingly, pursuant to Rule 19b-4, CCP requests the opportunity to provide such testimony through a representative.

We thank the Commission for the opportunity to comment. Should you have any questions or desire CCP's assistance, please feel free to contact me.

Respectfully,



Allen Dickerson  
Legal Director

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<sup>5</sup> Allen Dickerson, Center for Competitive Politics, "Re: Regulatory Notice 14-50, Comment on Proposal to Establish a "Pay-to-Play" Rule (Proposed Rules 2271, 2390, and 4580)" (Dec. 15, 2014).