



February 16, 2010

The Honorable Barney Frank
Chairman
Financial Services Committee

The Honorable Paul E. Kanjorski
Chairman
Capital Markets, Insurance and
Government Sponsored Enterprises
Subcommittee

U.S. House of Representatives
Washington, D.C. 20515

The Honorable Spencer Bachus
Ranking Member
Financial Services Committee

The Honorable Scott Garrett
Ranking Member
Capital Markets, Insurance and
Government Sponsored Enterprises
Subcommittee

U.S. House of Representatives
Washington, D.C. 20515

Re: Financial planning provisions in upcoming reform package

Dear Chairmen Frank and Kanjorski, Ranking Members Bachus and Garrett, and Committee Members:

As the leaders of the Certified Financial Planner Board of Standards (CFP Board), the Financial Planning Association[®] (FPA[®]), and the National Association of Personal Financial Advisors (NAPFA) that compose the Financial Planning Coalition, we represent 75,000 financial planning professionals across the nation. The Financial Planning Coalition was formed in 2008 to advise legislators and regulators on how to best protect consumers by ensuring financial planning services are delivered with fiduciary accountability and transparency. We are writing to share with you the results of a survey conducted last month on public opinion toward increased regulation of financial planners.

The survey, commissioned by the Financial Planning Coalition and conducted by Global Strategy Group between January 20-24, 2010, surveyed over 400 Washington D.C. area attentive voters about their impressions of the financial planning industry and their opinions about increased regulation of our industry. The results demonstrate overwhelming support for increased government regulation of those who identify themselves as “financial planners,” and a desire for new standards to increase the requirements for becoming a licensed financial planner.

The results of the survey indicate broad public approval of standards and regulations that will prevent unqualified and incompetent people who have no required code of ethical conduct from calling themselves financial planners. This survey confirms that there is broad support for the regulations proposed by the Financial Planning Coalition, which would include provisions to ensure that financial planners pass tests measuring competency, establish ethical guidelines for the industry and discipline financial planners who fail to follow these set regulations.

Survey highlights include:

- **Support is very high for more regulation for financial planners.** When presented with the Financial Planning Coalition’s proposed plan for increased regulation and oversight, 83% of the subjects said they support it and only 7% opposed it.
- **Voters believe that regulations and standards for financial planners are necessary to prevent abuse and to better serve consumers.** 91% of the voters surveyed – a pool which included significant numbers of self-identified conservatives and liberals – said they were convinced by a statement describing the proposed

regulations as including provisions to “ensure that financial planners pass tests measuring competency,” to “establish ethical guidelines” to “have the ability to discipline financial planners who fail to follow the guidelines,” and to “make all of this information available to consumers.”

- **Financial planners are well-regarded, but are in an industry for which more regulation is supported.** Over half D.C. area attentive voters (54%) gave financial planners a positive rating, while only 18% rated them negatively. (By contrast, stock brokers scored 22% positive, 37% negative.)

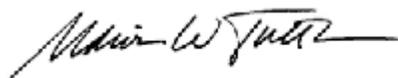
In light of the findings of this survey, we are continuing to urge the Senate to include language directing the formation of a financial planning oversight board in upcoming financial reform legislation, with hopes that it can be included in the final legislation passed by both the House and Senate. New standards to increase the requirements for becoming a licensed financial planner will help reduce current unethical practices, and protect consumers and their hard-earned investments. We hope to increase the level of transparency in the financial planning industry, so that consumers can better evaluate financial planners before they trust them for help making important financial decisions.

We invite you to review the full report of the survey’s results, which is enclosed with this letter. If you have any questions, please contact FPA’s Director of Government Relations, Dan Barry, via telephone at (202) 449-6343 or via e-mail at dan.barry@fpanet.org, or Marilyn Mohrman-Gillis, Managing Director, Public Policy, CFP Board, via telephone at (202) 379-2235 or via e-mail at mmohrman-gillis@cfpboard.org.

Sincerely,



Kevin R. Keller
Chief Executive Officer
CFP Board



Marvin W. Tuttle, Jr.
Executive Director/CEO
FPA



Ellen Turf
Chief Executive Officer
NAFPA

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CC: Members of the House Financial Services Committee