

February 17, 2021



The Honorable Sherrod Brown
Chairman
Senate Committee on Banking, Housing, and Urban Affairs
Washington, D.C. 20510



The Honorable Maxine Waters
Chairwoman
House Committee on Financial Services
Washington, D.C. 20515

Dear Chairman Brown and Chairwoman Waters:

We welcome your planned hearings to examine the circumstances surrounding recent trading of GameStop and other stocks. We hope you will focus your investigations on questions regarding equal access to markets and fair treatment of retail investors.



Restrictions placed on retail investors at the same time as large institutions were suffering big losses from risky shorts raise basic questions of fairness. To help bolster faith in our markets and financial institutions it is important that Congress get to the bottom of whether any firms indeed acted inappropriately in restricting trades, as well as whether any government policies played a role in those decisions and, if so, whether those policies ought to be reformed.



We further hope that you will also take this opportunity to examine rules, such as accredited investor requirements, that create a tiered system in the name of protecting retail investors. Today's retail investors are more sophisticated and have greater access to information than ever before. They should have all the same rights and privileges as institutional traders. When a mobile phone is all you need to participate in the stock market, Americans are going to be less tolerant of rules that amount to special treatment for the wealthy or connected even if the purpose is to protect retail investors.

Finally, amid reports of coming regulatory scrutiny on retail traders, or even possible criminal investigations, we urge you to make clear that the ability of individuals to share stock analyses and trading ideas on public forums is protected speech, and that a bunch of Americans buying a stock they like is not manipulation. Regulators should



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not conduct investigations that run counter to the principle that all Americans deserve open and equal access to our financial markets.



Top-down policies, from restrictions on types of trades to financial transaction taxes to ad hoc enforcement toward retail investors, will expand government's reach, create unnecessary barriers, and negatively impact the retirement savings of everyday Americans.



Sincerely,

Andrew F. Quinlan ~ President, Center for Freedom and Prosperity

Ryan Ellis ~ President, Center for a Free Economy

David Williams ~ President, Taxpayers Protection Alliance

John Berlau ~ Senior Fellow, Competitive Enterprise Institute

Seton Motley ~ President, Less Government

Saulius "Saul" Anuzis ~ President, 60 Plus Association

James L. Martin, Founder/Chairman ~ 60 Plus Association

Phil Kerpen ~ President, American Commitment

George Landrith ~ President, Frontiers of Freedom

Brent Wm. Gardner ~ Chief Government Affairs Officer, Americans for Prosperity

