

ELIZABETH WARREN
MASSACHUSETTS

COMMITTEES:
BANKING, HOUSING, AND URBAN AFFAIRS
HEALTH, EDUCATION, LABOR, AND PENSIONS
ARMED SERVICES
SPECIAL COMMITTEE ON AGING

United States Senate

UNITED STATES SENATE
WASHINGTON, DC 20510-2105
P: 202-224-4543

2400 JFK FEDERAL BUILDING
15 NEW SUDBURY STREET
BOSTON, MA 02203
P: 617-565-3170

1550 MAIN STREET
SUITE 406
SPRINGFIELD, MA 01103
P: 413-788-2690

www.warren.senate.gov

February 14, 2017

Gary Cohn
Director, National Economic Council
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

Dear Mr. Cohn,

I am writing today regarding a report indicating that a banking industry lobbyist reviewed drafts and provided recommendations for President Trump's recent memorandum directing the Department of Labor ("DOL") to reexamine the fiduciary rule. These reports raise questions about the influence of Wall Street on the Trump Administration, and about whether you and Administration officials may have inappropriately consulted with industry lobbyists during the process of developing President Trump's most recent executive orders and memorandums.¹

As a presidential candidate, President Trump promised to oppose policies that "have been so good for Wall Street investors...but unfair to American workers."² He recently betrayed that promise. On February 3, 2017, President Trump issued a presidential memorandum attacking the Department of Labor's (DOL) fiduciary rule, which requires financial advisers to provide retirement advice that is in the best interest of their clients.³ Right now, predatory financial adviser conflicts of interest cost Americans more than \$17 billion every year. The President directed the DOL to conduct a redundant "economic and legal analysis" of the rule's impact and potentially rescind the consumer-friendly policy that was set to go into effect in April 2017.⁴

It is troubling that the President would halt a common-sense rule designed to protect middle-class investors. But I am even more concerned that the President may have signed a presidential memorandum that was heavily influenced by industry lobbyists. *National Public Radio* reported that Francis Creighton, Executive Vice President of Government Affairs at the Financial Services Roundtable, "reviewed ... drafts and made recommendations" during the

¹ Charles Lane, "Trump Thwarts Action on Dodd-Frank Investor Protection," *WSHU Public Radio Group* (February 5, 2017) (online at <http://wshu.org/post/trump-thwarts-action-dodd-frank-investor-protection>).

² Donna Borak and Henry Williams, "Where Trump Stands on Wall Street," *Wall Street Journal* (November 9, 2016) (online at <http://graphics.wsj.com/elections/2016/where-trump-stands-on-wall-street/>).

³ Office of Senator Elizabeth Warren, *Villas, Castles, and Vacations: 2017 Edition* (February 3, 2017) (online at http://www.warren.senate.gov/files/documents/2017-2-3_Warren_DOL_Rule_Report.pdf).

⁴ President Donald J. Trump, "Presidential Memorandum on Fiduciary Duty Rule" (February 3, 2017) (online at <https://www.whitehouse.gov/the-press-office/2017/02/03/presidential-memorandum-fiduciary-duty-rule>).

development of the Fiduciary Rule Presidential Memorandum.⁵ The Financial Services Roundtable is “the leading advocacy organization for America’s financial services industry” with a Board of Directors hailing from Bank of America, SunTrust, MasterCard, and other financial giants.⁶ The full extent of Mr. Creighton’s role in the drafting of President Trump’s memorandum is unclear, and it is also not clear if any other lobbyists were involved in the drafting of the memorandum, or if Mr. Creighton or other lobbyists took part in the drafting of other Trump Administration memoranda or executive orders.

The White House should design its economic policies with the needs of average Americans in mind, and should not be inviting Wall Street lobbyists to write the nation’s banking rules.

To help me better understand the role of financial industry’s lobbyists in the drafting of President Trump’s memorandum, please respond to the following requests no later than February 21, 2017:

1. Did Mr. Creighton review and provide recommendations for President Trump’s Fiduciary Rule memorandum? Did he participate in any other way? If so, what was the precise nature and timeline of this participation, and who in the White House did he work with? What recommendations did he provide, and how did those recommendations manifest themselves in the memorandum that President Trump ultimately issued?
2. Did any other individuals affiliated with the Financial Services Roundtable or registered as lobbyists for the financial industry, review and provide recommendations for or otherwise participate in the drafting of President Trump’s Fiduciary Rule memorandum? If so, who else participated, what was the precise nature and timeline of this participation, and who in the White House did they work with? What recommendations did they provide, and how did those recommendations manifest themselves in the memorandum that President Trump ultimately issued?
3. On February 3, 2017, at the same time that he released his memorandum on the Fiduciary Rule, President Trump released an executive order directing the Secretary of the Treasury to “report to the President...on the extent to which existing laws, ...regulations, guidance, reporting and recordkeeping requirements, and other

⁵ Charles Lane, “Trump Thwarts Action on Dodd-Frank Investor Protection,” *WSHU Public Radio Group* (February 5, 2017) (online at <http://wshu.org/post/trump-thwarts-action-dodd-frank-investor-protection>).

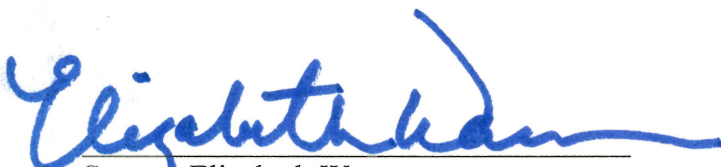
⁶ Financial Services Roundtable, “Who We Are” (online at <http://www.fsroundtable.org/about-fsr/>); Financial Services Roundtable, “FSR Board of Directors” (online at <http://www.fsroundtable.org/board-of-directors/>).

Government policies” inhibit the Administration’s “Core” financial principles.⁷ The President characterized this order as an attempt to “cut[] a lot out of Dodd-Frank.”⁸

- a. Did Mr. Creighton, or any other individuals affiliated with the Financial Services Roundtable, or any other officials registered as a lobbyist for the financial industry review and provide recommendations for or otherwise participate in the drafting of this executive order? If so, who participated, what was the precise nature and timeline of this participation, and who in the White House did they work with?
4. What other outside groups or individuals were consulted by White House officials during the preparation of the memorandum and the executive order, and what was the precise nature and timeline of the role they played in developing and drafting them?
5. Please provide any and all emails and other communications related to the drafting and development of the memorandum and executive order involving Mr. Creighton, other Financial Services Roundtable officials or financial industry lobbyists and White House or Trump Transition Team officials.

Thank you for your prompt response. If you have any questions, please do not hesitate to reach out to Brian Cohen of my staff at 202-224-4543.

Sincerely,



Senator Elizabeth Warren

⁷ President Donald Trump, “Presidential Executive Order on Core Principles for Regulating the United States Financial System” (February 3, 2017) (online at <https://www.whitehouse.gov/the-press-office/2017/02/03/presidential-executive-order-core-principles-regulating-united-states>).

⁸ Renae Merle, “Trump signs executive order to reconsider Wall Street regulations,” *Washington Post* (February 3, 2017) (online at https://www.washingtonpost.com/news/business/wp/2017/02/03/trump-to-sign-executive-order-calling-for-rollback-of-wall-street-reform/?utm_term=.c4c22c68466e).