

# United States Senate

WASHINGTON, DC 20510

October 5, 2021

The Honorable Gary Gensler  
Chairman  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, D.C. 20549

Dear Chairman Gensler,

During your confirmation hearing before the Senate Banking Committee, I asked if you would support prioritizing a simple yet vital regulatory modernization: the electronic delivery of investment and brokerage documents. Unfortunately, despite assurances you would make this issue a priority, nothing in the U.S. Securities and Exchange Commission's regulatory flexibility agenda published on June 11, 2021, contained any discussion of this sorely needed reform. This is disappointing because you assured me that you had long been a proponent of modernizing outdated regulations going back to your tenure in the Clinton Administration working on the E-SIGN Act.


In fact, a review of your regulatory agenda only has one item that seeks to modernize some reporting required by the SEC of investment firms in paper format. While it is encouraging that you support the change from inefficient and impractical paper filings, your agenda needs to also include changes that would positively impact millions of American investors. The SEC could eliminate untold millions of pounds of wasteful, untimely, and less-secure paper documents covering trade confirmations, account statements, prospectuses, and proxy materials.

Recent news that the United States Postal Service will move in the coming weeks to slow the delivery of first-class mail only heightens the need to make electronic delivery of these documents a reality, especially during a pandemic. Of course, if investors still want to receive paper documents, they should obviously have the right to that delivery preference. However, your agency needs to take the rightful step of modernizing rules that have not been updated since the Internet was in its early days over twenty years ago.

Indeed, modernization of SEC rules and guidance governing electronic delivery of brokerage and investment documents would align well with other federal regulators and programs such as the Federal Thrift Savings Plan, the Department of Labor, and the Social Security Administration. The SEC should be no different in its desire to join the 21<sup>st</sup> century.

I await a response from you outlining your near-term plan to make electronic delivery of brokerage and investment documents for everyday Americans an immediate priority.

Sincerely,

A handwritten signature in blue ink that reads "Thom Tillis". The signature is fluid and cursive, with a prominent flourish at the end of the name.

Thom Tillis  
United States Senator