

**David Leifer**

Vice President & Senior Associate General Counsel  
(202) 624-2128 t  
[davidleifer@accli.com](mailto:davidleifer@accli.com)

**Emily Micale**

Director, Federal Regulatory Affairs  
(202) 469-3008 t  
[emicale@irionline.org](mailto:emicale@irionline.org)

**Ian Trepanier**

Policy Analyst  
(202) 624-2118  
[iantrepanier@accli.com](mailto:iantrepanier@accli.com)

**John Jennings**

Assistant Director, Government Affairs  
(202) 469-3017  
[jjennings@irionline.org](mailto:jjennings@irionline.org)

June 28, 2021

Ms. Jennifer Piorko Mitchell  
Office of the Corporate Secretary  
FINRA  
1735 K Street NW  
Washington, DC 20006-1506

Re: Regulatory Notice 21-17

Dear Ms. Mitchell

Thank you for allowing the American Council of Life Insurers (ACLI) and the Insured Retirement Institute (IRI) to comment on Regulatory Notice 21-17, Supporting Diversity & Inclusion in the Broker-Dealer Industry. ACLI and IRI applaud FINRA's efforts in this critical sphere, and we support the goal of identifying and removing barriers to diversity in the broker-dealer community. While we do not have granular recommendations at this time in response to this regulatory notice, we highlight below several areas of the life insurance industry's focus that may be helpful to your research and consideration.

**EERE**

In 2020 ACLI launched the Economic Empowerment & Racial Equity Initiative (EERE), which contains four principles that ACLI and its member companies are pursuing. These four principles are: (1) Expanding access to affordable financial security protection in underserved communities; (2) Advancing

**American Council of Life Insurers** | 101 Constitution Ave, NW, Suite 700 | Washington, DC 20001-2133  
Insured Retirement Institute | 1100 Vermont Ave, NW, 10th Floor | Washington, DC 20005

The American Council of Life Insurers (ACLI) is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI's member companies are dedicated to protecting consumers' financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI's 280 member companies represent 95 percent of industry assets in the United States.

IRI is the leading association for the entire supply chain of insured retirement strategies, including life insurers, asset managers, and distributors such as broker-dealers, banks, and marketing organizations. IRI members account for more than 95 percent of annuity assets in the U.S., the top 10 distributors of annuities ranked by assets under management and are represented by financial professionals serving millions of Americans. IRI champions retirement security for all through leadership in advocacy, awareness, research, and the advancement of digital solutions within a collaborative industry community.

diversity and inclusion within companies and on corporate boards; (3) Achieve economic empowerment through financial education; and (4) Expanding investments in underserved communities. ACLI and our member companies are taking concrete steps to advance these principles. We are also partnering with other organizations to leverage the resources and knowledge across our industry.

### **DEI Action Committees at IRI**

In the summer of 2020, IRI brought together two new member committees, one comprised of board members, and the other made up of DEI experts from its member companies to facilitate collaboration on matters related to diversity and inclusion. These member-based platforms work together in concert with the companies IRI represents to conduct benchmarking studies and share best practices. Early efforts to-date have focused on talent acquisition, talent retention, marketing, and new product development. Further, IRI continues to work towards enhancing diversity employee talent pools in addition to engaging in research and analysis as to how the industry can reach populations not yet served by current product offerings.

For purposes of this regulatory notice, ACLI and IRI are particularly interested in potential recommendations pertaining to barriers that exist for individuals interested in becoming licensed advisers. Collection of background data, continuing education and other topics referenced in the regulatory notice are in our view appropriate areas of exploration. It is likely that even seemingly small changes will result in expanded opportunities and greater diversity within the broker-dealer community.

### **Insurance Regulatory Initiatives**

As you are aware, the life insurance industry is primarily regulated by state insurance departments, who coordinate many of their efforts through the National Association of Insurance Commissioners (NAIC). The NAIC is exploring barriers to diversity within the insurance industry in much the same way as FINRA. Numerous workstreams have been created, and efforts are underway to explore changes that are consistent with state insurance regulatory mandates. Because the insurance and securities regulatory frameworks overlap (life insurers are subject to applicable FINRA rules regarding supervision of licensed professionals among other things) and mutually support each other to a certain degree, we urge FINRA to keep the lines of communication open to the NAIC. Consistency in approaches we believe would benefit both industries.

### **Eliminating Barriers to Entrance into the Broker-Dealer Community**

ACLI and IRI have always supported removing unnecessary barriers to aspiring insurance producers, but with the caveat that only qualified individuals should become licensed. We have worked with our regulators to bring greater uniformity and efficiency to the life insurance producer licensing process through, among other things, ensuring the appropriate difficulty of the written exam, consistency in pre-licensing education requirements, and timely background checks. Most recently, states are moving swiftly to allow online proctored producer licensing exams. While these initiatives benefit all applicants regardless of background, they are particularly important for rural, minority and other disadvantaged communities.

ACLI and IRI look forward to engaging with our regulators as we strive together to empower all Americans, and particularly those in underserved communities, through access to financial education and financial security products. Continuing to foster policies that ensure qualified individuals from minority communities can become licensed financial professionals will create job and ownership

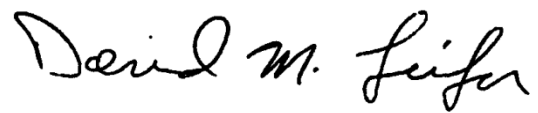
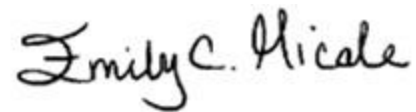
opportunities that will reduce the existing racial and gender wealth gaps, which are far too prevalent in our nation.

Thank you for the consideration of our comments, and we again express our support. Please let us know if we can in any way assist this important work that FINRA has undertaken.

Sincerely,

David M. Leifer

Emily C. Micale

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Ian Trepanier

John B. Jennings

Handwritten signature of Ian Trepanier in black ink.Handwritten signature of John B. Jennings in black ink.