

**Bill Coppel:**

Hi, I'm Bill Coppel, Chief Growth Officer for TradePMR, a Robinhood company.

**Ryan Neal:**

And I'm Ryan Neal, Senior Editor at TradePMR/Robinhood. And you are listening to the Synergize Podcast. We're coming to you live this time.

**Bill Coppel:**

That's right, Ryan. We're live here at the JW Marriott in Tampa for Synergy25, the TradePMR signature conference. We had a chance to sit down with one of our featured panelists, Dan Gallagher.

Dan is a former SEC commissioner and currently serves as Chief Legal, Compliance and Corporate Affairs Officer for Robinhood Markets.

**Ryan Neal:**

So in just a bit, Dan is going up on stage here at Synergy to give a front row view into the evolving regulatory landscape, something I know that advisors care deeply about. So we're excited that he was able to stop by the podcast booth here and share some of the insights for those of you that weren't able to attend this week.

**Bill Coppel:**

As both a former SEC commissioner, as I mentioned, and now a leader at Robinhood, Dan has a unique vantage point on where financial regulation is headed and what it means for the future of advice. To learn more about Dan's story, please visit our show notes. So Dan, thanks for being here.

**Dan Gallagher:**

Oh, thanks for having me, guys. I'm really excited to be here.

**Bill Coppel:**

Well, let me start here, Dan. I think it's fair to say that 2025 is shaping up to be a pivotal year for the industry, and particularly for financial regulation under the new administration. And a lot of the changes are taking place, and you're no stranger to Washington.

**Dan Gallagher:**

That's for sure.

**Bill Coppel:**

What regulatory shifts in 2025 do you see as important for the financial advice industry?

**Dan Gallagher:**

So look, I think 2025 represents a sea change in the regulatory environment. The last four years, for most in financial services, I would say were pretty tough. It was an intense regulatory environment, whether it be crypto, whether it be the provision of retail financial services, institutional trading, wherever you looked, there was a lot of regulatory scrutiny and not a lot of transparency, quite frankly, on what the policies were.

You know, with the new administration coming in, new Congress, a lot of promises of more transparency, lighter touch regulation, and a focus, I think, for the first time in a while on capital formation.

**Bill Coppel:**

Right.

**Dan Gallagher:**

You know, in addition to just saying we're going to focus only on rooting out fraud or investor protection, we're actually going to try to facilitate capital formation. I think it's a really exciting time, and it's going to take many flavors. We're only starting to see the very beginning of it right now.

**Bill Coppel:**

And they seem to change pretty regularly.

**Dan Gallagher:**

Yes, they do, oh yeah.

**Ryan Neal:**

So we now have out the SEC's 2025 agenda, right? Or is it not out yet? Is it coming?

**Dan Gallagher:**

It's coming, yeah.

**Ryan Neal:**

Coming, excuse me. So what do you think advisors, our listeners, should be paying attention to? What should they be looking for, or anticipating?

**Dan Gallagher:**

Yeah, look, I think a number of things. First of all, Chairman Paul Atkins, the new SEC Chairman, is no stranger to the advisory business. He's very well versed in it. I used to work for him when he was a commissioner at the SEC 20 years ago. And I was always very impressed on his depth of knowledge in the advisor space. So he's going to come in very interested, I think, on those issues, but also, you know, private fund issues, you know, things that when he was a commissioner, there wasn't a lot of availability, with respect to retail investors.

I think you're going to see a lot of desire by Chairman Atkins to open up private investments to maybe rethink some of the regulation that happened under his predecessor. You know the custody rule, marketing rule, other things that apply directly to advisors. You know, I would hope and expect that they would rethink maybe even their enforcement policy vis-a-vis advisors.

Not many folks know, but the SEC Enforcement Division actually has a, what they call, a specialty unit devoted to investment advisors. And, you know, sounds great, sounds logical until you realize, you know, you get what you resource.

So, if you start hiring a bunch of enforcement people to pay attention to an industry, they're going to bring cases, good or bad.

**Bill Coppel:**

That's right.

**Dan Gallagher:**

And so, I think rationalizing some of the enforcement cases that have come out too will be a really good development.

**Bill Coppel:**

That's good. You know, the idea of cyber risk and the idea of client disclosures, financial disclosures, are still at top of mind, particularly with FINRA. How do you see those two initiatives continuing to evolve in 2025?

**Dan Gallagher:**

Yeah, I think, look, cyber is just omnipresent and, luckily, I would say defies most of the petty politics that you see in DC. You need to protect your systems. You need to protect your customers' information. No company is a stranger to that. Everyone's experiencing attacks. The government itself is experiencing attacks. I do think, you know, the idea the prior SEC took of telling public companies you have X amount of days to tell us about a cyber attack. You know, that to me is one of these things that it happens in the faculty lounge.

**Bill Coppel:**

Right.

**Dan Gallagher:**

They have no idea what it means. And I've lived through it with Robinhood, you know, in the publicly disclosed breach that we had in the fall of '21.

So many decisions need to be made. So many facts are needed before you make those decisions.

**Ryan Neal:**

Sure.

**Dan Gallagher:**

And the notion that let's start a four-day time clock on you before you make a public disclosure, which could be very counterproductive.

You know, sometimes you'll have the criminal authorities involved. They'll be telling you not to say anything. There's a whole bunch of things. And you know, most companies, I would hope to say all companies, want to get it right.

No one wants to be breached. No one wants to be hacked. No one wants their customers to be unhappy with them. That's a bad business model. You would think that just sort of the skin in the game of the situation would give you best practices.

So, I think the SEC, I hope the current SEC under Atkins will revisit that 8K disclosure for public companies. FINRA, you know meanwhile for its registrants, which are you know largely broker dealers and dual hatted advisors obviously are pulled into that.

You know, they're rightfully concerned about the same thing. PII financial information, it's very sensitive information that flows through their member firms. I don't think the attention is going to go away from it at the federal level.

I do hope and expect though that it'll be little more rational, a little more, you know, higher-level principles based.

**Bill Coppel:**

More solution-oriented as opposed to, you know, chastising bad behavior. Now obviously we have to do that, but I think the idea is, how do we solve the problem?

**Dan Gallagher:**

Right. Why don't we, let's work together.

**Bill Coppel:**

Yes, right.

**Dan Gallagher:**

We're all in this together, you know. I always thought it was hilarious when I was on the commission the Chinese hacked into the Office of Personnel Management and so took my SF-86. And so that's one of the most confidential documents you'll ever have written about you.

And it's sitting in Beijing right now.

**Ryan Neal:**

So... I don't even know what SF-86 is.

**Dan Gallagher:**

It's an FBI, it's like literally my whole FBI file. They came in and they stole it from all of us. And then, you know, then you have the government yelling at you about what you should be doing to protect things. Like, dear Lord, why don't you get SF-86 back first?

**Bill Coppel:**

Exactly. Or at least get me a raise.

**Ryan Neal:**

That just that made me think of a Veep episode or plotline where the Chinese government hacks into their data, but they made a mistake. The office of Veep made a mistake, but they can't admit to it because then they would admit that the Chinese hacked them and they're all both... Anyway.

**Dan Gallagher:**

This is life.

**Ryan Neal:**

Great show.

**Dan Gallagher:**

The SEC had a hack on the Edgar system. I mean, it happens to all entities, private or governmental. We all need to realize that, and just try to get to common sense solutions.

**Bill Coppel:**

That's right.

**Ryan Neal:**

That's a good segue into the question I wanted to ask, which is around technology, because like we said, the threat is there. Advisory firms, especially the larger ones, often have a target on their back because of their relationship to, you know, wealthy people, their personal information and just their assets, right? So they are targets.

So in our, you know, evolving world and using more and more technology to serve investors, how do they navigate, you know, wanting to use a modern experience and serve clients with technology, while also protecting their data and being compliant? How do they navigate that?

**Dan Gallagher:**

Yeah, you know, and not being a technologist myself, I don't have a technical answer for you, but look, prioritizing the protection of PII is obviously first order for all financial services providers, especially dealing with retail.

Saying I'm just going to put stuff in paper I'm going to defy, you know, where the, you know, modern trends are moving. It's not the answer. It's getting the right vendors, getting the right infrastructure in place, testing, monitoring. But it takes a lot of work, and it takes a big team, and it, you know, it takes, you know, a singular focus on protecting that PII.

**Bill Coppel:**

I would say, based on what I've learned since I've been become a part of the Robinhood family, is security is probably the number one thing we think about every day, whether it's cyber, everything from cybersecurity down to physical security. I mean, it's a really important issue, and I think it's one of our core values, if I'm not mistaken.

**Dan Gallagher:**

Sure. Yeah, and so I mean, Robinhood being app first, right? It wasn't, no branch office, there was no bricks and mortar, you didn't have file cabinets. Everything is in the app and you know and in the cloud.

So we use, you know obviously great partners like AWS and their security protocols are second to none. And then it's incumbent upon us on the front end of things to make sure that we're not, you know, exposed in any way. And we have a really rigorous process with all of our vendors. And we're constantly reminded of it. And I'd have to say, is as horrifying as it was in the fall of 2021, when we had our event, which turned out to be very contained, but you don't know until you know.

But that was a great sort of institutional wake-up call and reminder of how important this issue is. You want to lose customer trust? You know, have a breach.

**Bill Coppel:**

That's it, it's amazing. Which leads me to this question. So as you look forward over the next 12, to 18 months, what are some of the priorities you have relative to these issues that we're talking about?

**Dan Gallagher:**



So look, I think for us, it's really this amazing pivot point for what I've built here at Robinhood over five years, our legal government affairs, external affairs groups that all report into me. We've been playing a lot of defense, you know, from 2021 until this January. And I think we did a really good job. I think we hired a lot of really good defenders and we had great external partners that worked with us on those.

But now we're going front foot. We're trying to pivot to the offense. And I keep challenging the team, use your brain differently. You guys all have these big brains and you know how to defend yourself. Now let's learn how to you know to throw a punch. Let's learn how to you know work with Congress on legislation for crypto, or market structure, or, you know, whatever it may be that impacts our customers and helps our business model.

**Bill Coppel:**

That's a great point, Dan. And I think our listeners would appreciate to recognize, if you'd say a few words about the impact you're having on regulatory affairs. You were very active in Washington. In fact, we're pretty much leading the dialogue around a lot of the innovative capabilities taking place, whether it's 24-hour-a-day trading or global trading and other issues like this. Talk a little bit about what is your approach to government affairs? How are you working with Congress and other members of the legislature to continue to evolve our ability to serve clients in a in a manner that makes real sense today?

**Dan Gallagher:**

Yeah, you know and look, the answer is: the approach has evolved. You know, again, we were in a defensive, more defensive posture, I would say five years ago. Before we built out the government affairs capability, before we really introduced ourselves to Washington, opinions were formed right about Robinhood and a lot of them incorrect.

And so we had to build a machine, tiny but mighty, that could go and educate members of Congress, educate regulators, other stakeholders. What is this Robinhood thing? What's our goal?

And I have to tell you, after a little while, it's an easy sell. The mission is so good. Democratize finance for all. Provide financial services to retail with no fees. Bring people in, right? When we have all these calls for increased financial literacy in America, but no one's taking the classes. If they're taking the classes, they're not getting it.

What's the best way to drive financial literacy? Get them in the markets. And you can get them in when there's no account minimums, when there's no fees, when you're not going to get discriminated against in any way, when we bring you in, and that's reflected, by the way, in the Robinhood customer base.

**Bill Coppel:**

And to a large degree, Robinhood's leveled the playing field.

**Dan Gallagher:**

Absolutely right. You should see, if we were on a video, I used to do this thing that drives my people crazy, but take the onion paper and you put it up. There's a Fed chart that shows increased retail participation over the last 10 years. It tracks the account growth in Robinhood. And it also talks about diversity in retail trading. And it's increasingly a more diverse set of retail traders. That too, tracks the Robinhood customers, twice as diverse as other financial services customers, more women, more minorities. I mean, it's a very, very amazingly good thing for the country. It's good policy, and it's driven by the private sector. So selling that to policymakers, you get better and better. And they're finally, I think, in acceptance. We've reached this sort of critical mass of understanding and appreciation for what we're doing.

And that gives us the ability to help them do things that end up helping our customers and our business.

**Bill Coppel:**

You know, that's a profound insight that I'm not sure people have picked up on, that by you know having a more diverse investing population strengthens capital formation.

**Dan Gallagher:**

Absolutely. It's been a goal. I gave speeches when I was an SEC commissioner. Why don't we have more retail participation? Why isn't it more diverse? Why are these markets the markets for the millionaires?

And here comes Robinhood, these two scrappy guys from Stanford, and they accomplished national policy all on their own. I tip my hat to them. They make my job easy.

**Bill Coppel:**

That's great.

**Ryan Neal:**

Well, that's fantastic, Dan. Thank you so much for stopping by. We covered a lot of ground. So something that we like to do on this podcast is we like to leave our viewers with like something so they can take with them, an actionable piece of advice for their firm.

So I'd love if you could share maybe something you're going to highlight on the stage. What's one piece of advice you'd give to advisors to navigate the current landscape?

**Dan Gallagher:**

You know, so I would give the same advice when I was back in office at the SEC.

Participate. Don't just assume that good things are going to happen around you. Don't rely solely on your trade groups. Participate. Write a comment letter directly on your firm letterhead, have a meeting with your congressman or woman. You know, work with TradePMR, who's now working with Robinhood Advocacy to make sure we understand your issues. But don't sit back and let this stuff happen around you. Everyone's got a voice.

And I have to tell you, when I was in office, if a, you know, three-person RIA came in to meet with me, and told me about real issues that they're experiencing in a real day. That versus the value of a homogenized trade letter group, I mean it was gold.

And it helped me make decisions on policy that were critical. Real details. So participate. That's what I would say.

**Bill Coppel:**

That means your voice matters. So be sure you are really taking up arms to continue to educate Congress, and continue to educate the public in general. It can only help.

**Dan Gallagher:**

Absolutely.

**Bill Coppel:**

Thank you.

**Ryan Neal:**

Yeah, Dan, thank you for being here. We appreciate it.

**Dan Gallagher:**

Thanks for having me, guys.

**Ryan Neal:**

And thank you for everyone who listened wherever you got this podcast. If you can click like, subscribe, share, comment, heart, whatever the button is, please click that. It helps the algorithm, helps get our podcast out there. And follow us on social media so you can catch the next episode.

**Bill Coppel:**

That's right. Thanks, Ryan. And remember, with that next episode, we're going to bring you even more insights and actionable ideas to help you grow your business. And remember, the challenge is yours to capitalize on what the future offers.

**Ads and Disclosures:**

This special episode of the Synergize podcast was sponsored by:

Built for efficiency, designed for opportunity. Advyzon is a transformative all-in-one platform that helps simplify advisor tech and modernizes the way you connect with clients. With a single source architecture, our unified platform is designed to bring portfolio management, reporting, billing, CRM, client portal, and more into one seamless experience. It's everything you need to help create a more personalized relationship with your clients and communicate more effectively without the chaos of disconnected tools. Discover more at [Advyzon.com](https://advyzon.com).

TradePMR and Advyzon are unaffiliated companies.

Looking to grow your wealth management firm? Gladstone Group is a boutique investment bank that can help unlock the value you've built in your RIA with comprehensive investment banking, talent search, and valuation services all under one roof. With over 850 successful M&A transactions, valuations, consultations, and talent searches, we match great people with great companies and great companies with each other. So whether you're buying, selling, or building for the future, our expertise helps RIAs make informed decisions that work to maximize value. Discover why the most sophisticated firms choose Gladstone. Visit us at [gstoneinc.com](http://gstoneinc.com) to start your journey.

Since 1993, millions of investors have built their portfolios using tips from the Motley Fool LLC's online investment newsletters. As a sister company, Motley Fool Asset Management started with a simple question. How could we put the distinctive foolish investment approach to work for even more investors? Answer ETFs built around the highest conviction stock picks from professional foolish analysts. These ETFs seek to outperform the market and deliver compounding returns for your client portfolios. Explore all of our Foolish ETFs at [fooletfs.com](http://fooletfs.com).

Motley Fool Asset Management and TradePMR are unaffiliated companies. All third parties mentioned and TradePMR are unaffiliated companies. The third parties mentioned are available for purchase and or a subscription through Fusion.

Please contact the provider for information about their terms and conditions as well as any fees that may apply.

If you want to join the conversation or connect with us, please visit us at [SynergizePodcast.com](http://SynergizePodcast.com). This content is provided for general information purposes only. The views expressed by non-affiliated guest speakers are their own and do not necessarily reflect the opinion of TradePMR or its affiliates.

TradePMR and its affiliates do not endorse any guest speakers or their companies and therefore give no assurances as to the quality of their products and services. This channel is not monitored by TradePMR. TradePMR does not provide investment advice, tax advice, or legal advice.

TradePMR is a member of FINRA and SIPC. Trade PMR Inc. is registered with the Securities and Exchange Commission, SEC, and the Municipal Securities Rulemaking Board, and MSRB, Trade PMR provides brokerage and account services to registered investment advisors. Custodial services provided by First Clearing.

First Clearing is a trade name used by Wells Fargo Clearing Services, LLC. Member SIPC, a registered broker dealer and non-bank affiliate of Wells Fargo and Company. Copyright 2025, TradePMR Inc. For a transcript of this episode with sources, visit [synergizepodcast.com](http://synergizepodcast.com).