Testimony of

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HEARING ON STRENGTHENING THE AMERICAN ECONOMY: PROMOTING GROWTH, OPPORTUNITY, AND PROSPERITY

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1. Opening remarks

Chairman Hill, Ranking Member Waters, and distinguished Members of the Committee:

Thank you for the opportunity to appear before you today. I am Lynn Martin, President of NYSE Group, which includes the New York Stock Exchange, the world's most iconic stock exchange. For more than two centuries, the Exchange has been the heartbeat of American capital markets, fueling every period of innovation our country has experienced. Today, 74 percent of the publicly traded Fortune 500 and 70 percent of the S&P 500 are NYSE-listed, representing market-leading companies across all sectors whose stories of innovation, risk, and growth are inextricably linked to the public markets we steward.

I am here to give you a candid account of where our capital markets stand, why the progress we have made matters to every American, and where the work ahead is most urgent. The story I want to tell is an encouraging one, but it is not a story about Wall Street. It is a story about the teacher, nurse, or firefighter saving for retirement, the small business owner seeking capital to grow, and the main street investor who deserves the same access to investment opportunity that was once reserved for the privileged few.

2. Why public markets matter

Public markets are more than financial infrastructure. They are the mechanism through which innovation is born. They are the fuel that spawns ideas which change the world. They lift up global societies and create economic mobility. When a company lists on the NYSE, it is extending an invitation to every global investor with a brokerage account, a 401(k), or a pension plan to share in its upside. That is not a metaphor. It is how the American economy is supposed to work.

The long-term decline in U.S.-listed public companies has therefore been troubling in ways that go far beyond market structure. In the mid-1990s, more than 7,000 companies were listed on U.S. exchanges. By early 2025, that figure had fallen by roughly 40 percent. During that time, Americans who invest through their savings and retirement accounts have been increasingly locked out of investments in favor of wealthy individuals and institutions able to participate in private funding rounds. Reversing this trend is not just an economic priority. It is a matter of economic fairness, an issue I know this Committee cares deeply about.

3. The state of America's capital markets in 2026

I would like to begin by providing an update on the health of our capital markets and capital formation. And I would like to acknowledge up front: the strength of our markets and of capital formation is an important measure of the U.S. economy's overall health, but it is not the only measure.

The IPO market of 2026 tells a compelling story about the vitality of our economy and the return of investor confidence. Through mid-2026, IPOs have raised record amounts of capital, with global IPO proceeds in the first half of 2026 tripling year-over-year from $58 billion to $178 billion. Deal flow has been broad-based, spanning artificial intelligence infrastructure, industrials, healthcare, and consumer sectors. Thirteen companies each raised more than $1 billion, compared with just four in the prior-year period, with Jersey Mike's (NYSE: JMKE) becoming the most recent entrant when it raised $1 billion in its July 30 NYSE debut. Every one of these new public companies represents a win for main street investors who can now participate in their growth.

There are several macroeconomic factors driving this activity in the IPO market. The backdrop for our capital markets is broadly constructive, even as it is not without complexity.

The overall stability of both inflation and the labor market have been critical to confidence in our capital markets. Increased clarity around trade policy and other federal priorities have also proven valuable to investors. And there has been significant progress from the SEC to lessen unnecessary burdens on public companies -- progress that I will discuss further in just a moment.

At the same time, the U.S. Treasury market presents a more nuanced picture this Committee should weigh carefully. It is incumbent upon leaders at the Treasury, Federal Reserve, and in Congress to pay close attention to the role of inflation, interest rates, and concern over the federal debt and deficit in keeping long-term yields elevated. Over time, these elevated yields raise the cost of capital across the economy -- for mortgages, business investment, and government borrowing alike. And, of course, the continued downward trend of inflation -- alongside stability in the labor market -- will inform the Fed's decision-making on interest rates, which will substantially impact our near-term economic outlook.

The equity markets themselves reflect confidence. The S&P 500 reached a closing record of 7,799 on August 13, 2026, and has now closed at all-time highs 25 times this year, propelled by strong corporate earnings, cooling energy prices, and renewed momentum in technology and AI-related stocks. The Dow Jones Industrial Average closed above 54,000 for the first time ever in early August, a milestone that underscores the breadth of the rally beyond any single sector. These are not paper gains disconnected from the real economy. They represent the collective judgment of millions of investors -- including the teachers, nurses, and retirees whose 401(k) and pension assets are tied to these indices, as well as our youngest generation through the newly-launched Trump Accounts -- that American companies remain sound, innovative, and worth owning.

4. Progress at the SEC and in Congress

This SEC has moved with both vision and urgency in restoring the regulatory conditions necessary for public markets to thrive. I want to commend the Commission's efforts to tackle barriers to capital formation that the NYSE and our listed companies have long identified.

Among other meaningful steps, the Commission has clarified that companies may elect to include mandatory arbitration provisions in registration statements, reducing litigation risk that has historically deterred some companies from going public. The roundtable on executive compensation disclosure creates constructive momentum for reform, and the broader review of mandatory disclosures under Regulation S-K provides a sound basis for eliminating obligations that do not yield material information for investors. These are the kinds of thoughtful, market-oriented actions that will encourage companies to go and stay public.

Congress has been an essential partner in this effort. The bipartisan passage in December 2025 of the Incentivizing New Ventures and Economic Strength Through Capital Formation Act, the INVEST Act, by a vote of 302 to 123, consolidates more than twenty bills aimed at strengthening capital markets and directly addresses the structural barriers that have made public listings less attractive. The GENIUS Act, which replaced a patchwork of state rules with clear, enforceable federal standards for payment stablecoins, has already sent a global signal that the United States is committed to leading in the digital asset economy.

5. Innovation

The United States is leading the world when it comes to the future of finance. I am deeply encouraged by the energy in Washington to support new and innovative channels for investment. In particular, I commend Congress for its bipartisan efforts to define rules of the road when it comes to digital assets.

At the NYSE, we are leaning into the moment to accelerate innovation across our markets. We have demonstrated a commitment to responsible innovation by leading the way for 23x5 trading of securities and by building a tokenization platform that will bring the efficiency and accessibility of blockchain technology to the trading and settlement of real-world assets. Innovation and investor protection are not in tension. They are mutually reinforcing.

Our tokenization platform will directly link digital equities to underlying shares, so the tokenized instrument and the traditional equity are not two separate products but a single security represented in two forms. This is a critical design principle. It means that the rights, obligations, and protections that attach to the underlying share travel with the token. Corporate actions, voting rights, dividend entitlements, and regulatory obligations are preserved. There is no ambiguity about what the token represents, because it represents exactly what the share represents, expressed in a form that is accessible on modern digital infrastructure. This is the model that protects issuers, investors, and the integrity of our markets simultaneously. We believe it is the right model, and we urge the SEC and this Committee to ensure that any regulatory framework for tokenized equities is built around it.

As we embrace this next chapter of innovation in our financial markets, it is essential to apply a single set of clear and fair rules of the road for all entities. While the regulatory regime for innovative assets, including tokenized securities, perpetuals, and prediction markets, continues to develop across both the SEC and CFTC, one principle must remain non-negotiable: consistent treatment regardless of incumbency status or primary regulator. Similar products cannot be treated differently under the guise of innovation, lest investors lose the protections on which they have come to rely.

6. The resilience of our markets

One of the most important things the NYSE does is ensure markets function well in all conditions. When markets are stressed, investors need to know that they can trust the infrastructure beneath them: that trades will be executed fairly, that prices will reflect reality, and that liquidity will be there when it is needed most. The quality of a marketplace is proven in difficult moments, and investor confidence, once earned, is reinforced through consistent performance over time.

American capital markets remain the world's safe harbor. Global investors turn to our markets when they seek the transparency, liquidity, and rule of law that only the United States can reliably provide. These competitive advantages are real, but they are not permanent. Regulatory overreach, legal uncertainty, and a failure to embrace responsible innovation are the forces that have historically driven talent, capital, and listings to other jurisdictions. The work underway in this Congress and at the SEC and CFTC is how we ensure that does not happen.

7. Closing remarks

The story of our capital markets in 2026 is an encouraging one, and I want to close by explaining why that optimism is grounded in something deeper than statistics. America's public markets work because they are built on a bedrock of trust: trust that our markets are transparent, that rules are applied consistently, and that every investor, whether managing a billion-dollar pension fund or investing a first paycheck, has a fair shot at participating in the growth of the American economy. Protecting and strengthening that trust is the responsibility of everyone in this room.

With continued support from our leaders here in Washington, we can continue to remove unnecessary barriers to going public. We can expand the circle of investors who can participate in high-growth opportunities. We can bring clarity and certainty to the digital asset economy. And we can send a message to the world that when it comes to capital formation, the United States remains the preeminent destination, and intends to stay that way.

The New York Stock Exchange will continue to do everything in our power to ensure that the next chapter of the American economic story is as vibrant and inclusive as the one we are writing right now. Thank you. I welcome your questions.