

## NEWS RELEASE

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# ICI Applauds Congressional Passage of Credit Rating Agency Bill, September 2006

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## House Vote Brings Legislation to President's Desk for Signature

Washington, DC, September 27, 2006 – Investment Company Institute President Paul Schott Stevens today issued the following statement on today's House of Representatives passage of the [Credit Rating Agency Reform Act of 2006](#):

"We commend Congress for passing legislation to enhance the transparency of the credit rating process and open the door to increased competition in this vital industry.

"In particular we thank the leadership of the House Financial Services Committee and the Senate Banking Committee for their diligence in drafting this legislation, which provides important investor safeguards by requiring rating agencies to publicly disclose their procedures and methodologies, their rules for addressing conflicts of interest, and their organizational structures.

"Credit rating agencies play a significant role in the U.S. securities markets. Mutual funds employ credit ratings to help make investment decisions, to define investment strategies, to communicate with shareholders about credit risk, and to inform the process for valuing securities. Most significant for Institute members is the role of credit ratings in the operation of money market mutual funds, which have about \$2.1 trillion in assets.

"Today's House passage clears the way for the President to sign the bill into law. We look forward to its completion."