

NEWS RELEASE

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ICI Statement on FDIC Proposed Rule to Amend Change in Bank Control Act Regulations

Washington, DC, July 30, 2024—The Investment Company Institute (ICI) released the following statement regarding the Federal Deposit Insurance Corporation (FDIC)’s proposed rules to amend the Change in Bank Control Act.

“It is alarming to see that the FDIC is proposing to revise the current framework in the absence of a clearly identified problem. The FDIC has decades of experience with fund investments in banks, and they know firsthand that these investments are made for the purpose of seeking higher returns for American investors – the majority of whom are middle-class retirement savers – not to get into the business of running banks. The burden of proof is on those who think otherwise, and that burden has not been met.

“Instead, we fear that the FDIC is asking the investment funds industry to prove a negative, setting up a flawed foundation on which to impose harmful limits and red tape on investment funds and increase costs on American investors. Furthermore, the FDIC is seeking to make changes without having already coordinated with other banking regulators, unnecessarily creating regulatory uncertainty and inconsistency.

“We look forward to engaging with the FDIC, and all the banking regulators, to demonstrate why such sudden and drastic changes are at best unnecessary and at worst could seriously harm American investors saving for a secure financial future.”