

NEWS RELEASE

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ICI Applauds Senate Introduction of Capital Markets Legislation

Washington, DC; September 24, 2024—Today, Investment Company Institute (ICI) President and CEO Eric Pan released the following statement regarding Senator Tim Scott's (R-SC), Ranking Member of the Senate Committee on Banking, Housing, and Urban Affairs, introduction of the *Empowering Main Street in America Act*. The bill package includes the *Increasing Investor Opportunities Act* and the *Retirement Fairness for Charities and Educational Institutions Act*, two bills that ICI has advocated strongly in favor of.

"ICI thanks Sen. Scott for his leadership and hard work on necessary reforms to protect investors and increase capital formation in the US. In particular, this package includes two important pieces of legislation that will help all Americans working to secure their financial future. ICI would also like to thank Sen. Steve Daines for his work to include the *Increasing Investor Opportunities Act* in the package and Sens. Britt, Warnock, Cassidy, and Peters for their previous work to introduce the *Retirement Fairness for Charities and Educational Institutions Act*. These bills passed the House on a bipartisan basis, and we hope the Senate will also act quickly to help investors."

Background:

1. The ***Increasing Investor Opportunities Act*** will allow a closed-end fund to invest its assets more freely in securities issued by private funds and removes the loophole now allowing activist investors to take over funds to force closed-end funds into liquidity events or radically change their investment strategy. The bill overwhelmingly passed the House on a bipartisan vote earlier this year and was sponsored by Reps. Ann Wagner (MO-02) and Gregory Meeks (NY-05).
2. The ***Retirement Fairness for Charities and Educational Institutions Act of 2024*** sponsored by Sens. Katie Britt (R-AL), Raphael Warnock (D-GA), Bill Cassidy (R-LA) and Gary Peters (D-MI) will allow 403(b) plans often used by people working in education, charitable organizations, and public service to invest in Collective Investment Trusts (CITs). CITs are highly regulated, pooled investment funds that can often offer lower costs than other vehicles. The bill would allow employees in the public sector to maximize their retirement savings, eliminating the discrepancy between public and private sector-backed plans. The bill overwhelmingly passed on a bipartisan vote earlier this year in the House, where it was sponsored by Reps. Frank Lucas (OK-03), Bill Foster (IL-11) and Josh Gottheimer (NJ-05).

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