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Applauds Provisions to Remove Potential for Bank-Like Regulation of Funds

Washington, DC, May 4, 2017—Investment Company Institute (ICI) President and CEO Paul Schott Stevens issued the following statement upon passage today by the House Financial Services Committee of “The Financial Creating Hope and Opportunity for American Investors, Consumers, and Entrepreneurs (CHOICE) Act of 2017.”

“We applaud committee passage of the Financial CHOICE Act, and support Chairman Hensarling’s goal of enhancing investment and economic growth by eliminating inappropriate and overly burdensome regulation impacting our capital markets. This timely bill would address flawed aspects of the Dodd-Frank Act that are not fulfilling Congress’s original intent and ultimately threaten, rather than protect, investors, the financial sector, and the economy.

“We strongly support the CHOICE Act provision that would remove the power of the Financial Stability Oversight Council (FSOC) to designate non-bank SIFIs and of the Federal Reserve to regulate them, erasing the threat of wholly unnecessary and inappropriate bank-like regulation of registered funds. We have long contended—in numerous [comment letters](#) to regulators both domestic and around the world—that registered funds do not present a threat to US financial stability.

“Other, much-needed provisions in the bill bring Sunshine Act transparency to the FSOC’s processes and diversify the participants in the Council’s deliberations, by including members of the represented agencies and not just the agencies’ heads.”

“We urge Congress to move ahead with these wide-reaching reforms, which will benefit the nation’s economy and investors, including 95 million mutual fund investors.”