



December 4, 2025

The Honorable Mike Johnson  
Speaker of the House  
U.S. Capitol  
Washington, D.C. 20515

The Honorable Hakeem Jeffries  
House Minority Leader  
U.S. Capitol  
Washington, D.C. 20515

Re: *Support for H.R. 3383, the INVEST Act*

Dear Speaker Johnson and Leader Jeffries:

The Investment Company Institute (ICI)<sup>1</sup> strongly supports H.R. 3383, the Incentivizing New Ventures and Economic Strength Through Capital Formation (the INVEST) Act of 2025, a bipartisan package of legislative reforms that would help protect and strengthen Americans' ability to invest and secure their financial futures. The INVEST Act reflects careful bipartisan consideration by the House Financial Services Committee. The legislation presents a set of pragmatic reforms that would pave the way to increasing financial opportunity for the 130 million individual investors in regulated funds.<sup>2</sup>

Over half of U.S. households are invested in a regulated fund operated by an asset manager through vehicles like mutual funds, money market funds, exchange-traded funds (ETFs), closed-end funds, and business development companies.<sup>3</sup> Financial products such as these are key investment vehicles that help translate the savings of hard-working Americans into the investments that drive the American economy forward. Regulated funds allow Americans to benefit from professionally managed investments in ways that are accountable, reliable, and

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<sup>1</sup> The [Investment Company Institute](#) (ICI) is the leading association representing the asset management industry in service of individual investors. ICI's members include mutual funds, exchange-traded funds (ETFs), closed-end funds, and unit investment trusts (UITs) in the United States, and UCITS and similar funds offered to investors in other jurisdictions. Its members manage \$43.2 trillion invested in funds registered under the US Investment Company Act of 1940, serving more than 120 million investors. Members manage an additional \$10.6 trillion in regulated fund assets managed outside the United States. ICI also represents its members in their capacity as investment advisers to collective investment trusts (CITs) and retail separately managed accounts (SMAs). ICI Associate Members include service providers to member firms and CIT trust companies. ICI has offices in Washington DC, Brussels, and London.

<sup>2</sup> See ICI Research Perspective: Ownership of Mutual Funds and Shareholder Sentiment. Nov. 2025. Available at: [per31-08.pdf](#)

<sup>3</sup> See ICI Viewpoints: How Regulated Funds Help Power the U.S. Economy. Nov. 19, 2025. Available at: [How Regulated Funds Help Power the U.S. Economy | Investment Company Institute](#)

transparent under the Investment Company Act of 1940. In fact, the regulated funds industry has increased American investors' participation in the capital markets, with ownership rising significantly among middle- and lower-income households over the past two decades.<sup>4</sup>

The reforms in the INVEST Act would further expand American investors' access to capital markets through enhancements aimed at boosting capital formation – a worthy goal that could translate into greater household wealth, more jobs, and faster economic growth. The INVEST Act will broaden investment opportunities for Americans, make it easier for businesses large and small to raise capital, expand retirement plan flexibility for nonprofits, and streamline disclosure practices for investors.

In particular, ICI supports the following provisions:

- **Sec. 202, Retirement Fairness for Charities and Educational Institutions**  
This provision would allow 403(b) retirement plans –available to employees of educational institutions, charitable organizations, and certain nonprofit organizations, such as hospitals – to offer collective investment trusts (CITs), eliminating the disparity between the fund options available to public and private sector plans.<sup>5</sup>
- **Sec. 205, Improving Disclosures for Investors**  
This provision would modernize disclosures provided to investors by directing the SEC to issue rules helping financial firms to provide disclosures through electronic means. A recent ICI survey found that investors of all ages prefer electronic delivery of investment information.<sup>6</sup> The provision would also preserve the option for paper delivery for those who would prefer to receive a physical copy of their documents.
- **Sec. 206, Increasing Investor Opportunities**  
This section would protect closed-end fund (CEF) investors from activists and create additional investment opportunities for those funds. This provision would remove the loophole that allows activist investors to take over CEFs and force them into liquidity events, benefiting the activist, and/or radically changing their investment strategy. In addition, this measure would ease investment limits on CEFs, codifying recent SEC actions to increase CEFs' ability to invest in private funds. This expanded access to

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<sup>4</sup> See ICI Viewpoints: Funds Democratize Investing in the United States. Nov. 21, 2025. Available at: [Funds Democratize Investing in the United States | Investment Company Institute](#)

<sup>5</sup> See ICI Key Policies: Retirement Fairness for Educators and Nonprofit Employees. [Retirement Fairness for Educators and Nonprofit Employees | Investment Company Institute](#)

<sup>6</sup> ICI Report: "Americans' Views on E-Delivery of Financial Documents." Sep. 2025. "Support for an e-delivery default runs high ... 87 percent of fund investors aged 65 or older agreed with" making e-delivery the default. Pg. 4. See also: Letter from ICI to SEC Chairman Paul Atkins re: Recommendations for a Default E-Delivery Framework. Available at: [25-cl-edelivery-framework-recommendations.pdf](#)

private markets reflects increasing interest in giving retail investors more options to invest in America's most innovative companies.

- **Sec. 302, Access to Small Business Investor Capital**

This section would address a 2006 Securities and Exchange Commission (SEC) rule that led to misleading disclosure concerning business development company (BDC) fees and expenses in investor disclosures from acquiring funds, which discouraged investment in BDCs. Congress created BDCs in 1980 to promote greater investment in small businesses that have trouble accessing the capital needed for growth. This provision would make it easier for BDCs to grow, which in turn, would further support mid-sized and small businesses.

Taken together, these reforms would create new and meaningful opportunities for investors to access capital markets and would in turn increase the accessibility and availability of capital for the businesses and communities that rely on that capital for growth.

ICI urges all Members of the House of Representatives to support this pragmatic and bipartisan legislation.

Sincerely,

/s/ Eric J. Pan  
Eric J. Pan  
President & CEO

/s/ Tom Quaadman  
Tom Quaadman  
Chief Government Affairs Officer

cc: Members of the House of Representatives