STATE STREET INVESTMENT MANAGEMENT

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December 3, 2025

The Honorable French Hill
Chair, House Financial Services Committee
1533 Longworth House Office Building
Washington, DC 20515

The Honorable Ann Wagner
Chair, Capital Markets Subcommittee
2350 Rayburn House Office Building
Washington, DC 20515

The Honorable Gregory Meeks
2310 Rayburn House Office Building
Washington, DC 20515

The Honorable Josh Gottheimer
106 Cannon House Office Building
Washington, DC 20515

Dear Chair Hill, Chair Wagner, Representative Meeks, and Representative Gottheimer:

I am the Head of Retirement at State Street Investment Management and am writing to express our support for section 202 of the INVEST Act of 2025 (H.R. 3383)that would provide long overdue retirement parity to participants in 403(b) plans in terms of the low-cost investments available, similar to the investments available to employees in for-profit companies, Federal employees, and certain employees of state and local governments.

State Street Investment Management is the fourth largest asset management firm in the world. We began offering services to 401(k) clients in the United States in 1981 and, over this 40+ year period, our assets under management for defined contribution plans have grown to $1.1 trillion, as of September 30, 2025.

Many educational institutions and non-profit organizations maintain 403(b) plans, which are, as you know, similar to 401(k) plans, but are generally tailored to the needs of the only employees who can participate in such a plan – employees of charities and public educational institutions. There is, however, one glaring way in which 403(b) plans are severely disadvantaged. These plans cannot access low-cost investments that are universally available to 401(k) plans, 457(b) plans for state and local governments, and, in a different form, to Federal employees in the Federal Thrift Savings Plan. Specifically, 401(k) and 457(b) plans can invest in lower cost collective investment trusts (“CITs”), instead of higher cost mutual funds. And the Thrift Savings Plan investments similarly do not bear the extra costs of investment registration that 403(b) plan sponsors do.

Why are 403(b) plans disadvantaged like this? We are told that it is an historical anomaly. That is an explanation but not a reason to make 403(b) plan participants bear extra costs. As the California State Teachers’ Retirement System (CalSTRS) explained in asking for parity for 403(b) plans, ***“Plan Sponsors, like California school districts and county offices of education, would benefit from the use of CITs and separate accounts by having increased flexibility to build more robust investment lineups, at lower costs nationally, often with improved speed to market or other efficiencies.”***

Legislation to provide parity to charities and public educational institutions has been introduced and worked on for more than five years. SECURE 2.0, enacted at the end of 2022, included the necessary tax law changes to create this needed parity. The current legislation will finish the job by adding the critical securities law exemptions that will make these investments available to 403(b) plan sponsors and their participants.

Thank you for your work on this legislation, which simply provides parity and fairness to 403(b) plan participants. We look forward to working with you to ensure that the legislation is enacted this year.

Sincerely,

Brendan Curran, CFA
State Street Investment Management
Head of US Retirement