July 13, 2026

The Honorable Tim Scott
Chairman
Committee on Banking, Housing, & Urban Affairs
United States Senate
534 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Elizabeth Warren
Ranking Member
Committee on Banking, Housing, & Urban Affairs
United States Senate
534 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Scott and Ranking Member Warren:

We write in strong support of legislation to modernize federal securities regulation of 403(b) retirement plan investments by providing parity with other retirement savings arrangements, including 401(k) plans, that already have access to low-cost collective investment trusts (CITs) and non-registered insurance company separate accounts.

More than 10 million Americans participating in 403(b) plans — including teachers, healthcare workers, nonprofit employees, and charitable organization staff — continue to face outdated federal securities law barriers that prevent access to the same low-cost institutional investment and protected lifetime income solutions available in 401(k) plans, governmental 457(b) plans, and the federal Thrift Savings Plan. In fact, CITs now account for 37 percent of the assets in 401(k) plans, demonstrating their utility and cost efficiency.

Congress recognized this inequity in SECURE 2.0 by addressing the necessary tax code changes. However, without corresponding amendments to federal securities laws, 403(b) participants remain unable to fully benefit from those reforms. The Retirement Fairness for Charities and Educational Institutions Act (S.424/H.R.1310), included in the Empowering Main Street in America Act of 2024 (S.5139) as well as House-passed INVEST Act of 2025 (H.R.3383), would complete this important bipartisan effort to modernize federal securities law treatment of 403(b) plans.

Importantly, the legislation preserves strong investor protections. The bill limits these investment options to employer-sponsored retirement plans overseen by plan fiduciaries, a state or local government, or an employer agreeing to take on fiduciary status and does not alter the SEC's enforcement authority or broader securities law protections applicable to retirement savers. In addition, CITs and non-registered insurance company separate accounts are subject to strong regulatory oversight by the Office of the Comptroller of the Currency (OCC), the Department of Labor, and state banking and insurance regulatory bodies.

Enactment of this legislation would expand access to cost-efficient investment options, strengthen opportunities to incorporate lifetime income solutions into 403(b) plans, and help improve retirement security outcomes for millions of Americans serving in the education, healthcare, charitable, and nonprofit sectors.

We appreciate your consideration of this important bipartisan legislation and look forward to working with the Committee to advance the Empowering Main Street in America Act of 2024 (S.5139) to provide parity to and among all retirement plan participants.

Sincerely,

Karen L. Barr, President & CEO, Investment Adviser Association
Byron Beebe, CEO, Human Capital, Aon
Kenneth E. Bentsen, Jr., President & CEO, Securities Industry and Financial Markets Association
Darryl Button, President & CEO, Pacific Life
Marc Cadin, CEO, Finseca
David Chavern, President & CEO, American Council of Life Insurers
Wayne Chopus, President & CEO, Insured Retirement Institute
Graham Cox, Executive Vice President, Head of Retirement and Income Solutions, MetLife
Thasunda Brown Duckett, President & CEO, TIAA
Terri Fiedler, President, Retirement Services, Corebridge Financial
Zach Gieske, President, Stable Value Investment Association
Craig Hawley, President & COO, Nationwide Financial
Yie-Hsin Hung, President & CEO, State Street Investment Management
Freddie Jacobs, Jr., President & CEO, Global Trust Company
Katy Johnson, President, American Benefits Council
Clifford Kirsch, Coalition of Collective Investment Trusts
Nick Lane, President, Equitable
Kevin Mayeux, CEO, National Association of Insurance and Financial Advisors
Edmund F. Murphy III, President & CEO, Empower
Eric J. Pan, President & CEO, Investment Company Institute
Matt Petersen, Executive Director, National Association of Government Defined Contribution Administrators, Inc.
Salim Ramji, CEO, The Vanguard Group, Inc.
Andre Robinson, CEO & President, MissionSquare
Stephen E. Roth, Lead Counsel, Committee of Annuity Insurers
Tim Rouse, Executive Director, The SPARK Institute
Robert Sharps, Chair of the Board & CEO, T. Rowe Price Group, Inc
Rich Steinmeier, CEO, LPL Financial
Deanna D. Strable, Chair, President & CEO, Principal Financial Group®
Andrew Sullivan, Chairman & CEO, Prudential Financial
Patrick Tomlinson, President & CEO, Mercer

cc: Members of the Senate Committee on Banking, Housing and Urban Affairs
Members of the House Committee on Financial Services