

July 6, 2022

The Honorable Ron Wyden
Chairman
Senate Finance Committee
219 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Mike Crapo
Ranking Member
Senate Finance Committee
219 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Wyden and Ranking Member Crapo:

The American Bankers Association¹ (ABA) writes in support of *The Enhancing American Retirement Now Act* (EARN Act), which would significantly improve retirement savings for the American people.

In particular, we welcome the helpful enhancement of investment options for participants in 403(b) plans, such as teachers, public servants, and non-profit workers, to include bank-maintained collective investment trusts (CITs). CITs have cost advantages relative to other types of funds, while providing more design and administrative flexibility specific to retirement plan investors. Due to these considerable benefits, retirement plan investments in CITs have grown significantly over the last decade.

We thank the Committee for the work done on this legislation in an effort to make retirement savings available to more people. As the various Committees of jurisdiction continue their work on the bill, we hope that the 403(b) plan provision will include the necessary amendments to not only the Internal Revenue Code, but also the Investment Company Act of 1940, the Securities Act of 1933, and the Securities Exchange Act of 1934. Without amendments to all four of these laws, participants in 403(b) plans may not have the advantages of CIT investment options

Sincerely,



cc: The Honorable Chuck Schumer, Majority Leader, U.S. Senate
The Honorable Mitch McConnell, Minority Leader, U.S. Senate
The Honorable Patty Murray, Chairwoman, Committee on Health Education Labor & Pensions
The Honorable Richard Burr, Ranking Member, Committee on Health Education Labor & Pensions

¹ The American Bankers Association is the voice of the nation's \$23.7 trillion banking industry, which is composed of small, regional and large banks that together employ more than 2 million people, safeguard \$19.7 trillion in deposits and extend \$11.2 trillion in loans.

The Honorable Sherrod Brown, Chairman, Committee on Banking, Housing, & Urban Affairs

The Honorable Pat Toomey, Ranking Member, Committee on Banking, Housing, & Urban Affairs