

Investment Company Institute Statement on Texas Comptroller Announcement

Washington, DC; August 24, 2022—Today the Investment Company Institute (ICI) issued the following statement in response to the Texas Comptroller's announcement affecting member funds:

"The Texas Comptroller's announcement today, which is a step toward having Texas state agencies boycott hundreds of investment funds, will only harm the ability of Texas police, firefighters, teachers, and other state civil servants to save for a secure financial future.

"Texas state pension managers have a fiduciary duty to act in the best interest of state employees. However, a state-mandated boycott of certain funds could restrict their ability to choose from the full range of available investments on behalf of Texas state retirees. This decision impacts billions of dollars in retirement savings for many Texans.

"Access to a range of funds helps drive financial innovation as investors can seek to capitalize on market trends and mitigate risk as part of their investment strategies. The merits of the named ESG-related funds, which operate in a competitive marketplace, should be evaluated primarily by their ability to meet the long-term goals of Texas state retirees. The availability of choice is a significant reason why the US financial markets are the most envied around the world and have been historically one of the most powerful engines of wealth creation for Texans and all Americans.

"We urge Texas policymakers to prioritize Texas families over partisanship. State pension fund managers must be able to consider a broad range of investments that most appropriately support the needs of these Texas savers, free from politics."