

Institute Hails Passage of Securities Legislation to Reform Mutual Fund Regulation, October 1996

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Washington, DC, October 1, 1996 - The Investment Company Institute today applauded the House and Senate's passage of legislation to modernize the nation's securities laws and redefine federal and state regulation of mutual funds.

The "[National Securities Markets Improvement Act of 1996](#)," now goes to President Clinton for his signature.

"The passage of the securities bill is the culmination of an effort that began with the introduction of the landmark Fields-Markey bill. Under the leadership of Chairmen Bliley and D'Amato, Congress has succeeded in producing regulatory reform while enhancing investor protection," said Matthew P. Fink, President of the Investment Company Institute. "The securities bill is balanced and bipartisan legislation that appropriately modernizes the regulations affecting the structure and operations of mutual funds owned by 38 million shareholders. Mutual funds are a national product and will, appropriately, for the first time be regulated uniformly at the national level. Meanwhile, state regulators will be able to dedicate their resources to policing abuse of the laws which protect investors."

The bill addresses three significant areas:

The Institute and the mutual fund industry praised the leadership of the Senate and House of Representatives, including House Commerce Committee Chairman Thomas J. Bliley Jr.; Senate Banking Committee Chairman Alfonse D'Amato; Senate Subcommittee on Securities Chairman Phil Gramm; Senators Paul S. Sarbanes and Christopher J. Dodd; House Subcommittee on Telecommunications and Finance Chairman Jack Fields; and Congressmen Edward Markey and John D. Dingell for their "bipartisan efforts regarding this historic legislation."

The Investment Company Institute is the national association of the American investment company industry. Its membership includes 6,071 open-end investment companies ("mutual funds"), 445 closed-end investment companies, and 10 sponsors of unit investment trusts. Its mutual fund members have assets of about \$3.169 trillion, accounting for approximately 95% of total industry assets, and have over 38 million individual shareholders.