

Via Email

April 30, 2025

The Honorable French Hill
Chairman
House Committee on Financial Services
2129 Rayburn HOB
Washington, DC 20515

The Honorable Maxine Waters
Ranking Member
House Committee on Financial Services
2003 Rayburn HOB
Washington, DC 20515

Re: SEC. 50002 of the Financial Services Committee Print, Providing for reconciliation pursuant to H.Con.Res. 14, the Concurrent Resolution on the Budget for Fiscal Year¹

Dear Chairman Hill and Ranking Member Waters:

On behalf of the Council of Institutional Investors (CII), we write in strong opposition to SEC. 50002 of the Financial Services Committee Print, Providing for reconciliation pursuant to H.Con.Res. 14, the Concurrent Resolution on the Budget for Fiscal Year (SEC. 50002).²

CII is a nonprofit, nonpartisan association of United States (U.S.) public, corporate, and union employee benefit funds, other employee benefit plans, state and local entities charged with investing public assets, and foundations and endowments with combined assets under management of approximately \$5 trillion. Our member funds include major long-term shareowners with a duty to protect the retirement savings of millions of workers and their families, including public pension funds with more than 15 million participants – true “Main Street” investors through their pension funds. Our associate members include non-U.S. asset owners with about \$5 trillion in assets, and a range of asset managers with more than \$50 trillion in assets under management.³

We believe SEC. 50002 is in direct conflict with CII’s long-standing membership-approved policy entitled Independence of Accounting and Auditing Standard Setters.⁴ The policy reflects our members’ view that the responsibility to promulgate auditing standards should reside with an industry-independent, private sector body, that has a secure, stable, source of funding, and is accountable to investors. We believe that by effectively eliminating the Public Company

¹ Financial Services Committee Print, Providing for reconciliation pursuant to H.Con.Res. 14, the Concurrent Resolution on the Budget for Fiscal Year 2025 (Apr. 25, 2025), <https://docs.house.gov/meetings/BA/BA00/20250430/118145/BILLS-119HConRes14pp.pdf>

² *Id.*

³ For more information about the Council of Institutional Investors (“CII”), including its board and members, please visit CII’s website at <http://www.cii.org>.

⁴ See Council of Institutional Investors, Policies on Other Issues, Independence of Accounting and Auditing Standard Setters (updated Mar 1, 2017), https://www.cii.org/policies_other_issues#indep_acct_audit_standards.

Accounting Oversight Board (PCAOB) and attempting to transfer its responsibilities to the U.S. Securities and Exchange Commission, SEC. 50002 is inconsistent with that policy.

For your information, I have attached to this letter the remarks I made yesterday at the Investor Advisory Group of the PCAOB regarding SEC. 50002. Those remarks are aligned with CII policy and our support of the PCAOB.

Thank you for considering CII's views. If you have any questions, please contact me at (202) 261-7081 or jeff@cii.org. Thank you in advance for your consideration of the views of institutional investors.

Sincerely,

A handwritten signature in cursive script that reads "Jeff Mahoney".

Jeffrey P. Mahoney
General Counsel

Attachment