



June 30, 2023

Governor Mike DeWine
Riffe Center, 30th Floor
77 South High Street
Columbus, OH 43215

Re: Support for ORC Clarifying Amendments

Dear Governor DeWine,

The undersigned associations (“Associations”) commend the Ohio Legislature for providing clarifying language to the Ohio Revised Code in HB 33. Our organizations represent a broad spectrum of businesses and investment professionals across the financial services sector.

We respectfully urge you to support this important legislation.

Earlier this year, our Associations collectively engaged in Ohio to address wide reaching and impactful changes to Ohio regulations that would have a direct impact on Ohio constituents and market participants such as our members. We commented that those proposals could negatively impact Ohio’s business growth, investment opportunities and job creation.

We believe the language in HB 33 clarifies the appropriate regulatory scheme—Registration by Coordination (Section 1707.091 of the Ohio Revised Code) — for Ohio registered investment products, including non-listed real estate investment trusts (REITs), and provides for a simplified registration filing for non-listed business development companies (BDCs) consistent with other investment companies subject to the federal Investment Company Act.

Through these amendments, Ohio would address concerns that we previously raised in two letters sent by our associations to the Ohio Common Sense Initiative in February 2023,

about concentration limits and the lack of a proper business impact analysis, by clarifying that investment vehicles already subject to federal registration and review are subject only to Ohio Registration by Coordination, as the term “coordination” implies, rather than the merit-based Registration by Qualification for investment vehicles not subject to federal registration.

For these reasons, we respectfully urge you to support these important amendments to the Ohio Revised Code, as passed by the Ohio Legislature.

Sincerely,

American Investment Council

The AIC, based in Washington, D.C., is an advocacy, communications, and research organization established to advance access to capital, job creation, retirement security, innovation, and economic growth by promoting responsible long-term investment. In this effort, the AIC develops, analyzes, and distributes information about private equity and private credit industries and their contributions to the US and global economy. Established in 2007 and formerly known as the Private Equity Growth Capital Council, the AIC’s members include the world’s leading private equity and private credit firms which have experience with the investment needs of insurance companies. As such, our members are committed to growing and strengthening the companies in which, or on whose behalf, they invest, to helping secure the retirement of millions of pension holders and to helping ensure the protection of insurance policyholders by investing insurance company general accounts in appropriate, risk-adjusted investment strategies. For further information about the AIC and its members, please visit our website at <http://www.investmentcouncil.org>.

Coalition for Business Development

CBD is a member-driven, Washington-based trade association that advocates exclusively on behalf of business development companies (BDCs) to expand their ability to provide necessary growth capital to small and middle-market Main Street businesses so they can expand, invest, and create jobs. The CBD is the successor to the Coalition for Small Business Growth, an ad-hoc coalition of BDCs that in 2018 secured passage of the Small Business Credit Availability Act, produced research and data on the BDC industry, and championed modernization of decades-old BDC regulation. 4 Driven by the vision and input of our members, the CBD’s mission is to increase awareness of the value of BDCs to Main Street businesses among legislators, regulators, and media; to promote federal policy changes that enable BDCs to expand their lending; and to conduct and publish research on the efficacy of BDC activities and regulation.

Defined Contribution Alternatives Association

DCALTA is the retirement industry’s collective voice of asset managers, plan sponsors, and service providers seeking to enhance and secure DC plan saver’s outcomes through education, research, and advocacy on the benefits of including alternative investments within a DC framework. We are dedicated to finding solutions to help overcome the market bias and operational impediments that may limit the use of alternative investments within DC plans.

Defined Contribution Real Estate Council

DCREC is an organization of investors, consultants, investment managers, attorneys, recordkeepers, and other businesses dedicated to improving outcomes for defined contribution plan participants through the investment of retirement assets in direct or securitized real estate. DCREC member firms represent over \$1.5 trillion in total real estate assets including an estimated \$40 billion invested in 16 daily valued real estate products. DCREC focuses its efforts on advocacy and education while acting as a clearinghouse for industry

best practices and is committed to engaging in a robust, open, and candid debate to seek creative and innovative solutions to meet the needs of retirement investors.

Our mission is to promote the inclusion of investments in direct commercial real estate and real estate securities within defined contribution plans in order to improve participant outcomes by furthering education about, advocacy for, and best practices of such investments.

Institute for Portfolio Alternatives

For over 35 years, the IPA has advocated for increased investor access to alternative investment strategies with low correlation to equity markets, as part of a diversified portfolio. Such strategies include real estate, public and private credit and other real assets through investment vehicles such as non-traded publicly registered real estate investment trusts (REIT), business development companies, closed-end funds, interval funds and private placements, among others. With nearly \$300 billion in capital investments, these portfolio diversifying investments are a critical component of an effectively balanced investment portfolio and serve an essential capital formation function for our national, state and local economies.

Insured Retirement Institute

IRI is the leading association for the entire supply chain of insured retirement strategies, including life insurers, asset managers, and distributors such as broker-dealers, banks and marketing organizations. IRI members account for more than 95 percent of annuity assets in the U.S., include the top 10 distributors of annuities ranked by assets under management, and are represented by financial professionals serving millions of Americans. IRI champions retirement security for all through leadership in advocacy, awareness, research, and the advancement of digital solutions within a collaborative industry community.

National Association of Insurance and Financial Advisors-Ohio

Founded in 1890, NAIFA is the preeminent membership association for the multigenerational community of financial professionals in the United States. NAIFA members subscribe to a strong Code of Ethics and represent a full spectrum of financial services practice specialties. We work with families and businesses to help Americans improve financial literacy and achieve financial security. NAIFA provides producers a national community for advocacy, education and networking along with awards, publications and leadership opportunities to allow NAIFA members to differentiate themselves in the marketplace. NAIFA has 50 state chapters and members in every congressional district advocate on behalf of producers and consumers at the state, interstate and federal levels.

Nareit

Nareit serves as the worldwide representative voice for real estate investment trusts (REITs) and non-REIT public companies that own, operate, and finance income-producing real estate, as well as those firms and individuals who advise, study, and service those businesses.

The Real Estate Roundtable

The Real Estate Roundtable and its members lead an industry that generates more than 20% of America's gross national product, employs more than 9 million people, and produces nearly two-thirds of the taxes raised by local governments for essential public services. Our members are senior real estate industry executives from the U.S.'s leading income-producing real property owners, managers, and investors; the elected heads of America's leading real estate trade organizations; as well as the key executives of the major financial services companies involved in financing, securitizing, or investing in income-producing properties.

Securities Industry and Financial Markets Association (SIFMA)

SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry's one million employees, we advocate on legislation, regulation and business policy affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA). For more information, visit <http://www.sifma.org>.

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