

Freedom to Invest

Protecting Businesses' Ability to Operate Freely and Profitably

Freedom to Invest brings together investors, businesses, and free market voices to protect their right to make sound financial decisions free from political interference. **Our goal is simple:** defend the freedom of investors and businesses to assess all material risks and opportunities in decision-making to best fit their operations—without government interference.

Keep Politicians Out of Private Businesses:

In America's free market economy, businesses and investors—not politicians—should decide how best to grow the economy, manage risk, and protect long-term value. Yet increasingly, some lawmakers are putting political agendas ahead of sound economic policy. **Steven Killian**, Director of Government Relations for the Arizona Bankers Association, said “we used to be able to go to [lawmakers] and say, ‘Hey, this is going to **hurt free markets** and have a **negative regulatory effect.**’ They just don't want to hear it anymore. They're more interested in the political fight.”

Freedom to Invest champions a fundamental American principle: the government should not interfere with the private sector's ability to make informed, risk-based decisions in the best interest of shareholders, employees, and the economy at large.

Protecting Pro-Business Tenets

- **Choice of Investment:** Business owners have a constitutionally protected right to analyze and consider all financial risks, including energy costs, labor shortages, or weather-related events, and make decisions based on how they see fit.
- **Freedom to Choose:** Businesses must retain the freedom to collaborate, share information, and join initiatives that support them in reducing financial risk, creating shareholder value, and improving market transparency. Government bans on who investors can associate with violate liberties and the U.S. Constitution.
- **Protect pensions and investments from politicization:** We must not ban nor mandate certain types of investment decisions that are outside the realm of maximizing return on investments by individuals or entities in the free market.
- **Respect private industry:** Keep the government out of boardrooms and reject politically motivated efforts to steer government business away from or toward certain companies based on narrow political agendas.
- **Empower transparency:** Businesses deserve the freedom to operate with all available knowledge for the best results for their profits and business. Restricting the information businesses receive or barring them from using data for business purposes is a complete government overreach.

The Consequences of Government Overreach

- State legislation has been brought forward in multiple states, threatening insurers' ability to incorporate climate risk data into their decisions—undermining the ability of insurers to operate and heightening potential risks. These bills not only undermine the free market but also have the potential to **increase costs for other businesses and consumers** while increasing regulatory burdens.
- These politically driven efforts to restrict how pension boards and businesses assess financial risks also **threaten long-term returns for retirees** and create legal and financial uncertainty for companies. Despite widespread opposition leading most of these bills to fail, similar proposals continue to resurface in state legislatures.
- Since 2021, hundreds of bills have been brought forward aimed at restricting state and municipal government's ability to consider all financial risks in their decision making. These bills have **massive economic risks**, especially for businesses. For example, one of these bills has led to **3,000 jobs being lost in Texas**, and taxpayers across six states could face up to \$700 million in additional interest costs.
- Environmental restrictions from excessive government interference are often harmful to businesses. One **analysis** found that restricting renewables could drive a 14% increase in wholesale power prices by 2035, equating to up to \$6.3 million in annual costs for large industrial users, a crucial extra cost for businesses.
- Multiple lawmakers and key figures on both sides of the aisle have come forward to say these bills would hurt their state's economy and negatively impact investments. Greg Ellis of the Indiana Chamber of Commerce warned that **HB 1008**, a bill that threatened to restrict pension investments, "might have a **chilling effect on the Indiana economy**," and called it "anti-free markets and anti-free enterprise."

What Market Leaders Are Saying

"Businesses need to be free to manage risk in their investments, free of the heavy hand of government. Government attempts to mandate or prohibit companies from investing in specific industries could have severe economic consequences."

— said Devin Hartman, director at R Street

"These types of bills attempt to prioritize specific industries for access to capital, an approach that runs counter to the free-market structure and the very foundation of our nation's banking system."

— said Dax Denton, Chief Policy Officer for the Indiana Bankers Association

"In its most damaging form, anti-free market legislation misleadingly named 'fair access' seeks to provide special access for special interests by threatening businesses with being blacklisted for considering real risk factors in their business decisions."

— Coconino Country treasurer Sarah Benatar said in her **testimony** to the U.S. House of Representatives

Freedom to Invest is about preserving the right of American businesses to operate without political intrusion. It's about upholding a business's right to operate freely, invest without limits, and the belief that the government should not have a say in how free enterprises operate in the free market.

Learn more: freedomtoinvest.org.