

113TH CONGRESS
2D SESSION

H. R. 4200

IN THE SENATE OF THE UNITED STATES

DECEMBER 3, 2014

Received; read twice and referred to the Committee on Banking, Housing, and
Urban Affairs

AN ACT

To amend the Investment Advisers Act of 1940 to prevent
duplicative regulation of advisers of small business in-
vestment companies.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “SBIC Advisers Relief
3 Act of 2014”.

4 **SEC. 2. ADVISERS OF SBICS AND VENTURE CAPITAL FUNDS.**

5 Section 203(l) of the Investment Advisers Act of
6 1940 (15 U.S.C. 80b–3(l)) is amended—

7 (1) by striking “No investment adviser” and in-
8 serting the following:

9 “(1) IN GENERAL.—No investment adviser”;
10 and

11 (2) by adding at the end the following:

12 “(2) ADVISERS OF SBICS.—For purposes of this
13 subsection, a venture capital fund includes an entity
14 described in subparagraph (A), (B), or (C) of sub-
15 section (b)(7) (other than an entity that has elected
16 to be regulated or is regulated as a business develop-
17 ment company pursuant to section 54 of the Invest-
18 ment Company Act of 1940).”.

19 **SEC. 3. ADVISERS OF SBICS AND PRIVATE FUNDS.**

20 Section 203(m) of the Investment Advisers Act of
21 1940 (15 U.S.C. 80b–3(m)) is amended by adding at the
22 end the following:

23 “(3) ADVISERS OF SBICS.—For purposes of this
24 subsection, the assets under management of a pri-
25 vate fund that is an entity described in subpara-
26 graph (A), (B), or (C) of subsection (b)(7) (other

1 than an entity that has elected to be regulated or is
 2 regulated as a business development company pursu-
 3 ant to section 54 of the Investment Company Act of
 4 1940) shall be excluded from the limit set forth in
 5 paragraph (1).”.

6 **SEC. 4. RELATIONSHIP TO STATE LAW.**

7 Section 203A(b)(1) of the Investment Advisers Act
 8 of 1940 (15 U.S.C. 80b–3a(b)(1)) is amended—

9 (1) in subparagraph (A), by striking “or” at
 10 the end;

11 (2) in subparagraph (B), by striking the period
 12 at the end and inserting “; or”; and

13 (3) by adding at the end the following:

14 “(C) that is not registered under section
 15 203 because that person is exempt from reg-
 16 istration as provided in subsection (b)(7) of
 17 such section, or is a supervised person of such
 18 person.”.

 Passed the House of Representatives December 2,
 2014.

Attest:

KAREN L. HAAS,
Clerk.