

116TH CONGRESS
2D SESSION

H. R. 7375

To require the Securities and Exchange Commission to revise rules to exclude business development companies from certain “Acquired Fund fees and expenses” reporting, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 25, 2020

Mr. SHERMAN (for himself and Mr. STIVERS) introduced the following bill;
which was referred to the Committee on Financial Services

A BILL

To require the Securities and Exchange Commission to revise rules to exclude business development companies from certain “Acquired Fund fees and expenses” reporting, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Access to Small Busi-
5 ness Investor Capital Act”.

1 **SEC. 2. EXCLUDING BUSINESS DEVELOPMENT COMPANIES**
2 **FROM CERTAIN “ACQUIRED FUND FEES AND**
3 **EXPENSES” REPORTING.**

4 (a) REVISION TO RULES.—Not later than the end of
5 the 2-year period beginning on the date of enactment of
6 this Act, the Securities and Exchange Commission shall
7 revise any rule of the Commission relating to investment
8 company registration statements to specify that, when cal-
9 culating the fees and expenses of an Acquired Fund, the
10 term “Acquired Fund” does not include a business devel-
11 opment company.

12 (b) FAILURE TO ISSUE RULES.—If the Commission
13 does not make the revisions required under subsection (a)
14 before the end of the 2-year period described in subsection
15 (a), any reference to an Acquired Fund in a rule of the
16 Commission relating to investment company registration
17 statements (including in any item in or instruction to
18 Forms N-1A, -2, -3, -4, and -6) shall, when used in the
19 context of calculating the fees and expenses of an Acquired
20 Fund, be deemed to not include a business development
21 company.

22 (c) BUSINESS DEVELOPMENT COMPANY DEFINED.—
23 In this section, the term “business development company”
24 has the meaning given that term under section 2(a) of
25 the Investment Company Act of 1940 (15 U.S.C. 80a-
26 2(a)).

1 (d) RULES OF CONSTRUCTION.—Any reference in
2 this section to—

3 (1) a form means such form and any successor
4 form; and

5 (2) the terms “Acquired Fund Fees and Ex-
6 penses” and “Acquired Fund” defined or otherwise
7 used in such a form shall mean any successor terms
8 or provisions adopted by the Securities and Ex-
9 change Commission.

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