

One Hundred Fifteenth Congress  
of the  
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,  
the third day of January, two thousand and eighteen*

An Act

To amend the Investment Advisers Act of 1940 to exempt investment advisers who solely advise certain rural business investment companies, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “RBIC Advisers Relief Act of 2018”.

**SEC. 2. ADVISERS OF RBICS.**

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

(1) in subsection (b)—

(A) in paragraph (6)(B)—

(i) by adjusting the margins accordingly; and

(ii) by striking the period at the end and inserting a semicolon;

(B) in paragraph (7)(C), by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following:

“(8) any investment adviser, other than an entity that has elected to be regulated or is regulated as a business development company pursuant to section 54 of the Investment Company Act of 1940 (15 U.S.C. 80a-53), who solely advises—

“(A) rural business investment companies (as defined in section 384A of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009cc)); or

“(B) companies that have submitted to the Secretary of Agriculture an application in accordance with section 384D(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009cc-3(b)) that—

“(i) have received from the Secretary of Agriculture a letter of conditions, which has not been revoked; or

“(ii) are affiliated with 1 or more rural business investment companies described in subparagraph (A).”;

(2) in subsection (l), by adding at the end the following:

“(3) ADVISERS OF RBICS.—For purposes of this subsection, a venture capital fund includes an entity described in subparagraph (A) or (B) of subsection (b)(8) (other than an entity that has elected to be regulated as a business development company pursuant to section 54 of the Investment Company Act of 1940 (15 U.S.C. 80a-53)).”; and

(3) in subsection (m), by adding at the end the following:  
“(4) ADVISERS OF RBICS.—For purposes of this subsection, the assets under management of a private fund that is an entity described in subparagraph (A) or (B) of subsection (b)(8) (other than an entity that has elected to be regulated or is regulated as a business development company pursuant to section 54 of the Investment Company Act of 1940 (15 U.S.C. 80a–53)) shall be excluded from the limit set forth in paragraph (1).”.

**SEC. 3. RELATIONSHIP TO STATE LAW.**

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

(1) in subparagraph (C), by striking the period at the end and inserting “; or”; and

(2) by adding at the end the following:

“(D) that is not registered under section 203 because that person is exempt from registration as provided in subsection (b)(8) of such section, or is a supervised person of such person.”.

*Speaker of the House of Representatives.*

*Vice President of the United States and  
President of the Senate.*