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113TH CONGRESS
1ST SESSION

H. R. 1973

To permit business development companies to increase investments in small- and middle-market financial services companies and investment advisors.

IN THE HOUSE OF REPRESENTATIVES

MAY 14, 2013

Mr. MULVANEY introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To permit business development companies to increase investments in small-and middle-market financial services companies and investment advisors.

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 ‘‘Business Development Company Modernization Act’’.

SEC. 2. INVESTMENTS OF BUSINESS DEVELOPMENT COMPANIES.

The Investment Company Act of 1940 is amended—

(1) in section 2(a)(46(B) (15 U.S.C. 80a–2(46)(B)) by striking ‘‘nor a company which would

be an investment company except for the exclusion from the definition of investment company in section 3(c) of this title''; and

(2) in section 60 (15 U.S.C. 80a–59) by striking ''except that the Commission shall not'' and inserting ''except that—

''(1) section 12 shall not apply to the purchasing, otherwise acquiring, or holding by a business development company of any security issued by, or any other interest in the business of, any person who is—

''(A) an investment adviser registered under title II of this Act or who is an investment adviser to an investment company; or

''(B) an eligible portfolio company as defined in section 2(a)(46) (15 U.S.C. 80a–2(a)(46)); and

''(C) the Commission shall not''.

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