

114TH CONGRESS
2D SESSION

H. R. 4854

To amend the Investment Company Act of 1940 to expand the investor limitation for qualifying venture capital funds under an exemption from the definition of an investment company.

IN THE HOUSE OF REPRESENTATIVES

MARCH 23, 2016

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

A BILL

To amend the Investment Company Act of 1940 to expand the investor limitation for qualifying venture capital funds under an exemption from the definition of an investment company.

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 “Supporting America’s
5 Innovators Act of 2016”.

1 **SEC. 2. INVESTOR LIMITATION FOR QUALIFYING VENTURE**
2 **CAPITAL FUNDS.**

3 Section 3(c)(1) of the Investment Company Act of
4 1940 (15 U.S.C. 80a-3(c)(1)) is amended—

5 (1) by inserting after “one hundred persons”
6 the following: “(or, with respect to a qualifying ven-
7 ture capital fund, 500 persons)”; and

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

9 “(C) The term ‘qualifying venture capital
10 fund’ means any venture capital fund (as de-
11 fined pursuant to section 203(l)(1) of the In-
12 vestment Advisers Act of 1940 (15 U.S.C. 80b-
13 3(l)(1)) that does not purchase more than
14 \$10,000,000 in securities of any one issuer, as
15 such dollar amount is annually adjusted by the
16 Commission to reflect the change in the Con-
17 sumer Price Index for All Urban Consumers
18 published by the Bureau of Labor Statistics of
19 the Department of Labor.”.

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