



Contact:

Catherine Kaliniak
Small Business Investor Alliance
(202) 888-7419
Catherine@sbia.org

**SBIA Hails House Committee Passage of SBIC Advisers Relief Act
*House Financial Services Unanimously Approves, Sends Bill to Full House***

WASHINGTON, D.C. (May 21, 2015) – The Small Business Investor Alliance (SBIA), the leading association of lower middle market private equity funds and investors, called passage of the Small Business Investment Company (SBIC) Advisers Relief Act a significant step toward delivering its Members relief from redundant regulatory and compliance costs. The House Financial Services Committee passed the SBIC Advisers Relief Act by a vote of 53 to 0.

“We have seen steady progress in moving this bill through the Congressional process and today’s unanimous action by the House Financial Services Committee sets the stage for likely passage through the entire House,” said Brett Palmer, President of the SBIA. “While we wait for passage in the House, we urge the Senate to continue the positive momentum by pursuing a path forward on this legislation.”

H.R.432, the SBIC Advisers Relief Act, is one of the key provisions of the [SBIA's Capital Formation Agenda](#). This bipartisan bill would correct language in Dodd-Frank to remove duplicative compliance burdens while maintaining investor protections. Dodd-Frank was written with the clear intent to avoid double regulation of SBICs. However, the way it has been applied has caused unintended double regulation. This bill would remove regulated SBIC capital from the calculation used to trigger Registered Investment Adviser requirements, remove double regulation by both state and federal regulators, and remove the accidental regulatory burdens imposed by having two types of exempt

funds – Venture and SBIC. This bill is a bipartisan technical correction that maintains investor protections while reducing regulatory burdens on small business investors.

Introduced in the House on January 21 by Representative Blaine Luetkemeyer (R-MO) and Representative Carolyn Maloney (D-NY), it was the subject of a hearing on April 29 before the House Financial Services Subcommittee on Capital Markets and Government Sponsored Enterprises. SBIA Executive Committee Member Gayle Hughes, Partner at Merion Investment Partners, testified on behalf of the SBIA membership that America's small business investors need relief from unintentional duplicative regulations

###

About the Small Business Investor Alliance (SBIA)

The Small Business Investor Alliance (SBIA) is the premier organization of lower middle market private equity funds and investors. SBIA works on behalf of its members as a tireless advocate for policies that promote competitive markets and robust domestic investment for growing small businesses. SBIA has been playing a pivotal role in promoting the growth and vitality of the private equity industry for over 50 years. For more information, visit www.SBIA.org or call (202) 628-5055.