

118TH CONGRESS  
1ST SESSION

# H. R. 5273

To permit a registered investment company to omit certain fees from the calculation of Acquired Fund Fees and Expenses, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

AUGUST 25, 2023

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

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## A BILL

To permit a registered investment company to omit certain fees from the calculation of Acquired Fund Fees and Expenses, 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. AMENDMENTS TO ACQUIRED FUND FEES AND**  
4 **EXPENSES REPORTING ON INVESTMENT**  
5 **COMPANY REGISTRATION STATEMENTS.**

6 (a) DEFINITIONS.—In this section:

7 (1) ACQUIRED FUND.—The term “Acquired  
8 Fund” has the meaning given the term in Forms N–  
9 1A, N–2, and N–3.

1           (2) ACQUIRED FUND FEES AND EXPENSES.—  
2           The term “Acquired Fund Fees and Expenses”  
3           means the Acquired Fund Fees and Expenses sub-  
4           caption in the Fee Table Disclosure.

5           (3) BUSINESS DEVELOPMENT COMPANY.—The  
6           term “business development company” has the  
7           meaning given the term in section 2(a) of the Invest-  
8           ment Company Act of 1940 (15 U.S.C. 80a-2(a)).

9           (4) FEE TABLE DISCLOSURE.—The term “Fee  
10          Table Disclosure” means the fee table described in  
11          Item 3 of Form N-1A, Item 3 of Form N-2, or  
12          Item 4 of Form N-3 (as applicable, and with respect  
13          to each, in any successor fee table disclosure that  
14          the Securities and Exchange Commission adopts).

15          (5) FORM N-1A.—The term “Form N-1A”  
16          means the form described in section 274.11A of title  
17          17, Code of Federal Regulations, or any successor  
18          regulation.

19          (6) FORM N-2.—The term “Form N-2” means  
20          the form described in section 274.11a-1 of title 17,  
21          Code of Federal Regulations, or any successor regu-  
22          lation.

23          (7) FORM N-3.—The term “Form N-3” means  
24          the form described in section 274.11b of title 17,

1 Code of Federal Regulations, or any successor regu-  
2 lation.

3 (8) REGISTERED INVESTMENT COMPANY.—The  
4 term “registered investment company” means an in-  
5 vestment company, as defined under section 2(a) of  
6 the Investment Company Act of 1940, registered  
7 with the Securities and Exchange Commission under  
8 such Act.

9 (b) EXCLUDING BUSINESS DEVELOPMENT COMPA-  
10 NIES FROM ACQUIRED FUND FEES AND EXPENSES.—A  
11 registered investment company may, on any investment  
12 company registration statement filed pursuant to section  
13 8(b) of the Investment Company Act of 1940 (15 U.S.C.  
14 80a–8(b)), omit from the calculation of Acquired Fund  
15 Fees and Expenses those fees and expenses that the in-  
16 vestment company incurred indirectly as a result of invest-  
17 ment in shares of one or more Acquired Funds that is  
18 a business development company.

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