

Union Calendar No. 386

115TH CONGRESS
2^D SESSION

H. R. 4279

[Report No. 115-517]

To direct the Securities and Exchange Commission to revise any rules necessary to enable closed-end companies to use the securities offering and proxy rules that are available to other issuers of securities.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 7, 2017

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

JANUARY 16, 2018

Additional sponsors: Mr. HULTGREN, Mr. FOSTER, and Mr. GOTTHEIMER

JANUARY 16, 2018

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on November 7, 2017]

A BILL

To direct the Securities and Exchange Commission to revise any rules necessary to enable closed-end companies to use the securities offering and proxy rules that are available to other issuers of securities.

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 “Expanding Investment*
5 *Opportunities Act”.*

6 **SEC. 2. PARITY FOR CLOSED-END COMPANIES REGARDING**
7 **OFFERING AND PROXY RULES.**

8 *(a) REVISION TO RULES.—Not later than the end of*
9 *the 180 period beginning on the date of enactment of this*
10 *Act, the Securities and Exchange Commission shall propose*
11 *and, not later than 1 year after the date of enactment of*
12 *this Act, the Securities and Exchange Commission shall fi-*
13 *nalize any rules, as appropriate, to allow any closed-end*
14 *company, as defined in section 5(a)(2) of the Investment*
15 *Company Act of 1940 (15 U.S.C. 80a–5), that is registered*
16 *as an investment company under such Act, and is listed*
17 *on a national securities exchange or that makes periodic*
18 *repurchase offers pursuant to section 270.23c-3 of title 17,*
19 *Code of Federal Regulations, to use the securities offering*
20 *and proxy rules, subject to conditions the Commission deter-*
21 *mines appropriate, that are available to other issuers that*
22 *are required to file reports under section 13 or section 15(d)*
23 *of the Securities Exchange Act of 1934 (15 U.S.C. 78m;*
24 *78o(d)). Any action that the Commission takes pursuant*
25 *to this subsection shall consider the availability of informa-*

1 *tion to investors, including what disclosures constitute ade-*
2 *quate information to be designated as a “well-known sea-*
3 *soned issuer”.*

4 *(b) TREATMENT IF REVISIONS NOT COMPLETED IN A*
5 *TIMELY MANNER.—If the Commission fails to complete the*
6 *revisions required by subsection (a) by the time required*
7 *by such subsection, any registered closed-end company that*
8 *is listed on a national securities exchange or that makes*
9 *periodic repurchase offers pursuant to section 270.23c-3 of*
10 *title 17, Code of Federal Regulations, shall be deemed not*
11 *to be an ineligible issuer under the final rule of the Commis-*
12 *sion titled “Securities Offering Reform” (70 Fed. Reg.*
13 *44722; published August 3, 2005).*

14 *(c) RULES OF CONSTRUCTION.—*

15 *(1) NO EFFECT ON RULE 482.—Nothing in this*
16 *section or the amendments made by this section shall*
17 *be construed to impair or limit in any way a reg-*
18 *istered closed-end company from using section*
19 *230.482 of title 17, Code of Federal Regulations, to*
20 *distribute sales material.*

21 *(2) REFERENCES.—Any reference in this section*
22 *to a section of title 17, Code of Federal Regulations,*
23 *or to any form or schedule means such rule, section,*
24 *form, or schedule, or any successor to any such rule,*
25 *section, form, or schedule.*

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