

in which it maintains its principal office and place of business.

**(c) Limitation on capital and bond requirements**

No State may enforce any law or regulation that would require an investment adviser to maintain a higher minimum net capital or to post any bond in addition to any that is required under the laws of the State in which it maintains its principal office and place of business, if the investment adviser—

(1) is registered or licensed as such in the State in which it maintains its principal office and place of business; and

(2) is in compliance with the applicable net capital or bonding requirements of the State in which it maintains its principal office and place of business.

**(d) National de minimis standard**

No law of any State or political subdivision thereof requiring the registration, licensing, or qualification as an investment adviser shall require an investment adviser to register with the securities commissioner of the State (or any agency or officer performing like functions) or to comply with such law (other than any provision thereof prohibiting fraudulent conduct) if the investment adviser—

(1) does not have a place of business located within the State; and

(2) during the preceding 12-month period, has had fewer than 6 clients who are residents of that State.

(Aug. 22, 1940, ch. 686, title II, § 222, as added Pub. L. 86-750, § 16, Sept. 13, 1960, 74 Stat. 888; amended Pub. L. 104-290, title III, § 304, Oct. 11, 1996, 110 Stat. 3438; Pub. L. 105-353, title III, § 301(d)(2), Nov. 3, 1998, 112 Stat. 3237; Pub. L. 111-203, title IX, § 985(e)(4), July 21, 2010, 124 Stat. 1935.)

**Editorial Notes**

AMENDMENTS

2010—Subsecs. (b), (c). Pub. L. 111-203 substituted “principal office and place of business” for “principal place of business” wherever appearing.

1998—Subsec. (b)(2). Pub. L. 105-353 substituted “principal” for “principle”.

1996—Pub. L. 104-290 substituted “regulation” for “control” in section catchline and amended text generally, designating existing provisions as subsec. (a), inserting heading, and adding subsecs. (b) to (d).

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective 1 day after July 21, 2010, except as otherwise provided, see section 4 of Pub. L. 111-203, set out as an Effective Date note under section 5301 of Title 12, Banks and Banking.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-290 effective 270 days after Oct. 11, 1996, see section 308(a) of Pub. L. 104-290, as amended, set out as a note under section 80b-2 of this title.

**§ 80b-18b. Custody of client accounts**

An investment adviser registered under this subchapter shall take such steps to safeguard client assets over which such adviser has custody, including, without limitation, verification

of such assets by an independent public accountant, as the Commission may, by rule, prescribe. (Aug. 22, 1940, ch. 686, title II, § 223, as added Pub. L. 111-203, title IV, § 411, July 21, 2010, 124 Stat. 1577.)

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE

Section effective 1 year after July 21, 2010, except that any investment adviser may, at the discretion of the investment adviser, register with the Commission under the Investment Advisers Act of 1940 during that 1-year period, subject to the rules of the Commission, and except as otherwise provided, see section 419 of Pub. L. 111-203, set out as an Effective Date of 2010 Amendment note under section 80b-2 of this title.

**§ 80b-18c. Rule of construction relating to the Commodities Exchange Act**

Nothing in this subchapter shall relieve any person of any obligation or duty, or affect the availability of any right or remedy available to the Commodity Futures Trading Commission or any private party, arising under the Commodity Exchange Act (7 U.S.C. 1 et seq.) governing commodity pools, commodity pool operators, or commodity trading advisors.

(Aug. 22, 1940, ch. 686, title II, § 224, as added Pub. L. 111-203, title IV, § 414, July 21, 2010, 124 Stat. 1578.)

**Editorial Notes**

REFERENCES IN TEXT

The Commodity Exchange Act, referred to in text, is act Sept. 21, 1922, ch. 369, 42 Stat. 998, which is classified generally to chapter 1 (§ 1 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see section 1 of Title 7 and Tables.

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE

Section effective 1 year after July 21, 2010, except that any investment adviser may, at the discretion of the investment adviser, register with the Commission under the Investment Advisers Act of 1940 during that 1-year period, subject to the rules of the Commission, and except as otherwise provided, see section 419 of Pub. L. 111-203, set out as an Effective Date of 2010 Amendment note under section 80b-2 of this title.

**§ 80b-19. Separability**

If any provision of this subchapter or the application of such provision to any person or circumstances shall be held invalid, the remainder of the subchapter and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

(Aug. 22, 1940, ch. 686, title II, § 219, 54 Stat. 857.)

**§ 80b-20. Short title**

This subchapter may be cited as the “Investment Advisers Act of 1940”.

(Aug. 22, 1940, ch. 686, title II, § 220, 54 Stat. 857.)

**Statutory Notes and Related Subsidiaries**

SHORT TITLE OF 2019 AMENDMENT

Pub. L. 115-417, § 1, Jan. 3, 2019, 132 Stat. 5438, provided that: “This Act [amending sections 80b-3 and 80b-3a of

this title] may be cited as the ‘RBIC Advisers Relief Act of 2018’.”

SHORT TITLE OF 2010 AMENDMENT

Pub. L. 111-203, title IV, §401, July 21, 2010, 124 Stat. 1570, provided that: “This title [enacting sections 80b-18b and 80b-18c of this title, amending sections 80b-2, 80b-3, 80b-3a, 80b-4, 80b-5, 80b-10, and 80b-11 of this title, and enacting provisions set out as notes under sections 77b and 80b-2 of this title] may be cited as the ‘Private Fund Investment Advisers Registration Act of 2010’.”

SHORT TITLE OF 1996 AMENDMENT

Pub. L. 104-290, title III, §301, Oct. 11, 1996, 110 Stat. 3436, provided that: “This title [enacting section 80b-3a of this title, amending sections 80b-2, 80b-3, and 80b-18a of this title and section 1002 of Title 29, Labor, and enacting provisions set out as notes under sections 80b-2, 80b-3a, and 80b-10 of this title and section 1002 of Title 29] may be cited as the ‘Investment Advisers Supervision Coordination Act’.”

**§ 80b-21. Effective date**

This subchapter shall become effective on November 1, 1940.

(Aug. 22, 1940, ch. 686, title II, §221, 54 Stat. 857.)

**CHAPTER 2E—OMNIBUS SMALL BUSINESS CAPITAL FORMATION**

Sec.

- 80c. Liaison between Securities and Exchange Commission and Small Business Administration.
- 80c-1. Annual government-business forum on capital formation.
- 80c-2. Authorization of appropriations.
- 80c-3. Reduction of costs of small securities issues.

**§ 80c. Liaison between Securities and Exchange Commission and Small Business Administration**

**(a) Studies on needs, problems, and costs of businesses; availability**

The Securities and Exchange Commission shall gather, analyze, and make available to the public, information with respect to the capital formation needs, and the problems and costs involved with new, small, medium-sized, and independent businesses.

**(b) Availability of studies to Small Business Administration**

The Commission shall make the results of such studies available to the Small Business Administration and otherwise have regular communication and liaison with such Administration in these matters.

(Pub. L. 96-477, title V, §502, Oct. 21, 1980, 94 Stat. 2292.)

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE

Pub. L. 96-477, title V, §507, Oct. 21, 1980, 94 Stat. 2294, provided that: “Except as otherwise specified, the amendments made by this title [enacting this chapter and amending section 77s of this title] shall become effective January 1 of the year following the date of enactment of this Act [Oct. 21, 1980].”

SHORT TITLE

Pub. L. 96-477, title V, §501, Oct. 21, 1980, 94 Stat. 2291, provided that: “This title [enacting this chapter and

amending section 77s of this title] may be cited as the ‘Omnibus Small Business Capital Formation Act of 1980’.”

**§ 80c-1. Annual government-business forum on capital formation**

**(a) Responsibility of Securities and Exchange Commission**

Pursuant to the consultation called for in section 80c of this title, the Securities and Exchange Commission (acting through the Office of the Advocate for Small Business Capital Formation and in consultation with the Small Business Capital Formation Advisory Committee) shall conduct an annual Government-business forum to review the current status of problems and programs relating to small business capital formation.

**(b) Participation in forum planning**

The Commission shall invite other Federal agencies, such as the Department of the Treasury, the Board of Governors of the Federal Reserve System, the Small Business Administration, organizations representing State securities commissioners, and leading small business and professional organizations concerned with capital formation, to participate in the planning for such forums.

**(c) Preparation of statements and reports**

The Commission may request any of the Federal departments, agencies, or organizations such as those specified in subsection (b), or other groups or individuals, to prepare statements and reports to be delivered at such forums. Such departments and agencies shall cooperate in this effort.

**(d) Transmittal of proceedings and findings**

A summary of the proceedings of such forums and any findings or recommendations thereof shall be prepared and transmitted to the participants, appropriate committees of the Congress, and others who may be interested in the subject matter.

**(e) Review of findings and recommendations**

The Commission shall—

(1) review the findings and recommendations of the forum; and

(2) each time the forum submits a finding or recommendation to the Commission, promptly issue a public statement—

(A) assessing the finding or recommendation of the forum; and

(B) disclosing the action, if any, the Commission intends to take with respect to the finding or recommendation.

(Pub. L. 96-477, title V, §503, Oct. 21, 1980, 94 Stat. 2292; Pub. L. 114-284, §2(c), Dec. 16, 2016, 130 Stat. 1452; Pub. L. 115-174, title V, §503, May 24, 2018, 132 Stat. 1362.)

**Editorial Notes**

AMENDMENTS

2018—Subsec. (e). Pub. L. 115-174 added subsec. (e).

2016—Subsec. (a). Pub. L. 114-284 inserted “(acting through the Office of the Advocate for Small Business Capital Formation and in consultation with the Small Business Capital Formation Advisory Committee)” after “the Securities and Exchange Commission”.