



---

**PAPERWORK REDUCTION ACT SUPPORTING STATEMENT**

for the Extension of  
Exemption for Certain Multi-State Investment Advisers (Rule 203A-2(d))  
OMB Control Number 3235-0689

The U.S. Securities and Exchange Commission (“Commission”) submits this information collection request (ICR) pursuant to the Paperwork Reduction Act of 1995 (PRA), 44 U.S.C. Section 3501 et seq., with the following justification.

**1. Necessity of Information Collection**

Section 203A of the Investment Advisers Act of 1940 (“Advisers Act”) prohibits certain advisers from registering with the Commission, including those that are smaller and those that advise a Commission-registered investment company. Advisers Act rule 203A-2(d) (“rule 203A-2(d)”) provides an exemption from that prohibition. Under rule 203A-2(d), an adviser may register with the Commission if it would otherwise be required to register with 15 or more states. To rely on rule 203A-2(d), an adviser must do the following: (1) indicate on Schedule D of Form ADV that it has concluded that it is required to register in 15 or more states;<sup>1</sup> (2) include an undertaking on Schedule D of Form ADV that it will withdraw its registration if it indicates on its annual updating amendment that the adviser is no longer required to register with at least 15 states; in such a case, it must file a Form ADV-W within 180 days of the adviser’s fiscal year end;<sup>2</sup> and (3) for five years after each Form ADV filing, the adviser must maintain in an easily accessible place, a record of the states in which the adviser has determined it would be required to register, but for the exemption in rule 203A-2(d).<sup>3</sup>

---

<sup>1</sup> 17 CFR 275.203A-2(d)(2)(i).

<sup>2</sup> 17 CFR 275.203A-2(d)(2)(ii).

<sup>3</sup> 17 CFR 275.203A-2(d)(3).

The rule’s record maintenance requirement is a “collection of information” for Paperwork Reduction Act (“PRA”) purposes.<sup>4</sup> The title of the collection of information is “Exemption for Certain Multi-State Investment Advisers (Rule 203A-2(d)).” Its currently approved OMB control number is 3235-0689. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The collection of information is codified at 17 CFR 275.203A-2(d) and is mandatory to qualify for and maintain Commission registration eligibility under rule 203A-2(d).

Respondents to this collection of information are investment advisers that rely on rule 203A-2(d) to register with the Commission, but would otherwise be prohibited from registering with the Commission. The collection of information is necessary for the Commission staff to use in its examination and oversight program, to help determine an adviser’s eligibility for registration with the Commission under rule 203A-2(d). Responses provided to the Commission in the context of its examination and oversight program are generally kept confidential under section 210(b) of the Advisers Act.

## **2. Purpose and Use of Information Collection**

The information collected allows the Commission’s examination and oversight staff to determine an adviser’s eligibility for registration with the Commission under rule 203A-2(d).

## **3. Use and Consideration of Information Technology**

The collection of information makes appropriate use of information technology. Advisers are permitted to meet the rule’s recordkeeping requirements micrographically or electronically pursuant to Advisers Act rule 204-2(g).

---

<sup>4</sup> 17 CFR 275.203A-2(d)(3). Rule 203A-2(d)’s requirements concerning Schedule D of Form ADV are included in the PRA burden for Form ADV.

#### **4. Identifying and Minimizing Duplication**

The collection of information requirements are not duplicated elsewhere.

#### **5. Effect on Small Entities**

The collection of information requirements are the same for all advisers relying on rule 203A-2(d) to register or remain registered with the Commission, including those that are small entities. For the purposes of the Advisers Act and the Regulatory Flexibility Act, an investment adviser generally is a small entity if it (1) has assets under management having a total value of less than \$25 million; (2) did not have total assets of \$5 million or more on the last day of the most recent fiscal year; and (3) does not control, is not controlled by, and is not under common control with another investment adviser that has assets under management of \$25 million or more, or any person (other than a natural person) that had total assets of \$5 million or more on the last day of its most recent fiscal year.<sup>5</sup>

The recordkeeping requirement under the rule affects small entities and larger advisers similarly, because the required information concerns the adviser's regulatory requirements and business, which should be readily available to any adviser regardless of size. It would defeat the purpose of the rule to exempt small entities from these requirements, because then it would be more difficult for the Commission's staff to verify a small entity adviser's eligibility to rely on rule 203A-2(d) to register with the Commission. Moreover, although the records are mandatory, the rule is a permissive exemption. Therefore, a small entity may choose not to rely on the rule, and then it would not be subject to the collection of information.

---

<sup>5</sup> 17 CFR 275.0-7.

## **6. Consequences of Not Conducting Collection and Obstacles to Reducing Burden**

For at least five years after filing Form ADV, an adviser relying on rule 203A-2(d) to register with the Commission must maintain a record of the states in which the adviser has determined it would be required to register, but for the exemption. Because the period between examinations may be as long as five years, it is important that the Commission has access to records that cover the period between examinations. If the information is not collected, it would be more difficult for the Commission's staff to verify an adviser's eligibility to rely on rule 203A-2(d) to register with the Commission.

## **7. Inconsistencies with Guidelines in 5 CFR 1320.5(d)(2)**

The collection of information requires advisers to maintain certain records for at least five years, as described above. Although this period exceeds the three-year guideline for most kinds of records under 5 CFR 1320.5(d)(2)(iv), the long-term retention of these records is designed to contribute to the effectiveness of the Commission's examination and oversight programs, and is necessary for the Commission staff to determine compliance with the Advisers Act, including an adviser's continued eligibility to register with the Commission. Because the period between examinations may be as long as five years, it is important that the Commission has access to records that cover the period between examinations.

## **8. Public Comment and Consultations Outside the Agency**

The SEC did not receive public comment during the 60-day notice and comment period. The Commission and the staff of the Division of Investment Management participate in an ongoing dialogue with representatives of the investment adviser profession through public conferences, meetings, and informal exchanges. These various forums provide the Commission and the staff with a means of ascertaining and acting upon paperwork burdens facing the industry. The Commission requested public comment on the collection of information requirements in rule 203A-2(d) before it submitted this request

for extension and approval to the Office of Management and Budget. The Commission received no comments in response to this request.

**9. Payment or Gift to Respondents**

Not applicable.

**10. Assurance of Confidentiality and Privacy**

Responses to the recordkeeping responses required under rule 203A-2(d) in the context of the Commission’s examination and oversight program are generally kept confidential.<sup>6</sup>

**11. Collection Questions of a Sensitive Nature**

Not applicable.

**12. Estimated Time Burden and its Cost Equivalent**

Below is a table explaining our estimated burdens and comparing the estimated burdens to the currently approved burdens.

---

<sup>6</sup> 15 U.S.C. 80b-10(b).

### Estimated Burdens

|   | <b>Currently Approved<sup>1</sup></b> | <b>Proposed</b>              | <b>Difference</b> |
|---|---------------------------------------|------------------------------|-------------------|
| <b>Respondents</b>                        | 110 respondents                       | 122 respondents <sup>2</sup> | 12 respondents    |
| <b>Aggregate Responses</b>                | 110 responses                         | 122 responses <sup>3</sup>   | 12 responses      |
| <b>Time Burden Per Response</b>           | 8 hours                               | 8 hours <sup>4</sup>         | No change         |
| <b>Aggregate Time Burden</b>              | 880 hours                             | 976 hours <sup>5</sup>       | 96 hours          |
| <b>Monetized Time Burden Per Response</b> | \$3,200                               | \$3,024 <sup>6</sup>         | (\$176)           |
| <b>Aggregate Monetized Time Burden</b>    | \$352,000                             | \$368,928 <sup>7</sup>       | \$16,928          |
| <b>Aggregate Cost Burden</b>              | \$0                                   | \$0                          | No change         |

**Notes:**

1. ICR Reference No: 202303-3235-002, *available at* [https://www.reginfo.gov/public/do/PRAViewICR?ref\\_nbr=202303-3235-002](https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202303-3235-002).
2. According to data from the Investment Adviser Registration Depository (“IARD”) as of August 2025, approximately 122 advisers checked Item 2.A.(10) of Part 1A of Form ADV to indicate they are a multi-state adviser that is required to register in 15 or more states and is relying on rule 203A-2(d).
3. We continue to estimate that each respondent will produce one response. Therefore, Respondents x 1 Response = Aggregate Responses.
4. We continue to estimate that an adviser will spend 0.5 hours creating a record concerning each of the 15 states, and 0.5 hours maintaining the aggregate records. (0.5 hours x 15 states = 7.5 hours + 0.5 hours = 8 hours.)
5. Aggregate Responses x Time Burden Per Response = Aggregate Time Burden.
6. We expect that an adviser’s management analyst would create and maintain the records. We estimate the hourly wage rate of a management analyst to be \$378 per hour. (\$378 x 8 hours = \$3,024 monetized time burden.) To calculate the wage rate, we used occupational mean hourly wage data from the Occupational Employment and Wage Statistics (OEWS) program of the Bureau of Labor Statistics (BLS) for “Securities, Commodity Contracts, and Other Financial Investments and Related Activities” (NAICS 523). *See* Occupational Employment and Wage Statistics, U.S. BUREAU OF LABOR STATISTICS, <https://www.bls.gov/oes/>; see also Standard Occupational Classification, U.S. BUREAU OF LABOR STATISTICS, <https://www.bls.gov/soc/> (describing occupational classification system used by BLS); EXEC. OFF. OF THE PRESIDENT, OFF. OF MGMT. & BUDGET, NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (2022), *available at* [https://www.census.gov/naics/reference\\_files\\_tools/2022\\_NAICS\\_Manual.pdf](https://www.census.gov/naics/reference_files_tools/2022_NAICS_Manual.pdf) (describing the industry classification system used by BLS and other agencies). The mean hourly wage for each occupation is adjusted for changes in the seasonally adjusted employment cost index for private wages and salaries between the data reference period and when the data are released by BLS. *See* Employment Cost Index, U.S. BUREAU OF

LABOR STATISTICS, <https://www.bls.gov/eci/>. The adjusted mean hourly wage is then multiplied by a factor that accounts for nonwage costs borne by employers, such as bonuses, benefits, and overhead. This factor is calculated as an average over the 10 most recently available years of data of the ratio of the Bureau of Economic Analysis's annual gross output data for NAICS 523 to total annual wages across all occupations for NAICS 523 in the OEWS data. See Gross Output by Industry, U.S. BUREAU OF ECONOMIC ANALYSIS, <https://www.bea.gov/data/industries/gross-output-by-industry>; Occupational Employment and Wage Statistics, U.S. BUREAU OF LABOR STATISTICS, <https://www.bls.gov/oes/>.

7. Aggregate Responses x Monetized Time Burden Per Response = Aggregated Monetized Time Burden.

### **13. Estimated Additional Cost Burden**

Excluding the burden hours identified in Item 12, the collection of information is not expected to impose additional non-labor or capital costs. We anticipate that most advisers registering under the rule will generate the necessary records in the ordinary course of business.

### **14. Annual Cost to the Federal Government**

Not applicable. There is no requirement to report the information collection to the SEC.

### **15. Reasons for Changes in Burden**

We revised the estimated number of respondents from 110 respondents to 122 respondents, which is an increase of 12 respondents. We revised the estimated aggregate number of responses from 110 responses to 122 responses, which is an increase of 12 responses. We continue to estimate a time burden of 8 hours per response. We revised the estimated aggregate time burden from 880 hours to 976 hours, which is an increase of 96 hours. We revised the estimated monetized time burden per response from \$3,200 to \$3,024, which is a decrease of \$176. We revised the estimated aggregate monetized time burden from \$352,000 to \$368,928, which is an increase of \$16,928. We continue to estimate \$0 cost burdens. The changes in burdens are due to using updated data and new methodologies.

### **16. Plans for Publishing Results**

Not applicable.

**17. Approval to Omit Display of OMB Expiration Date**

We are seeking OMB approval to omit the expiration date because the public may find it confusing to see an expiration date on a form, especially when approaching the expiration date.

**18. Exceptions to the Certification for Paperwork Reduction Act Submissions**

Not applicable.