Antitrust Law Update

October 2022

House Passes Merger Filing Fee Modernization Act

On September 29 the U.S. House of Representatives passed the Merger Filing Fee Modernization Act ("Act"), which would result in higher filing fees under the Hart-Scott-Rodino Antitrust Improvements Act ("HSR Act") for transactions valued at greater than $1 billion but reduce fees for mergers valued at less than $1 billion. Filing fees for transactions valued at more than $1 billion, which, according to the HSR Annual Report FY2020 prepared by the FTC and DOJ, comprise about 15% of reportable transactions, will increase by $120,000 to nearly $2 million, depending on the size of the transaction.

Under the HSR Act, parties to a transaction must make required filings with the Federal Trade Commission (FTC) and Department of Justice, Antitrust Division (DOJ) and await expiration of the 30-day statutory waiting period before closing if the transaction meets certain thresholds and does not fall within statutory exemptions. Generally, this means that transactions valued at more than $101 million (adjusted annually) are subject to the HSR Act and must be reported to FTC and DOJ.

The filing fees for reportable transactions currently fall into three tiers (with the size-of-transaction amounts changing annually):

Filing Fee	Size of Transaction
$45,000	Greater than $101M but less than $202M
$125,000	$202M or greater but less than $1.0098B
$280,000	Greater than $1.0098B

Under the Act, the fee structure would change (again with the size-of-transaction amounts changing annually):

Filing Fee	Size of Transaction
$30,000	Greater than $101M but less than $161.5M
$100,000	$161.5M or greater but less than $500M
$250,000	$500M or greater but less than $1B
$400,000	$1B or greater but less than $2B
$800,000	$2B or greater but less than $5B
$2,250,000	$5B or greater

The Act, which passed the House 242-184, faces an uncertain future in the U.S. Senate.

FOR MORE INFORMATION

For more information, please contact:

Mark R. Butscha, Jr.
216.566.5897
Mark.Butscha@ThompsonHine.com