

HR 2357

Accelerating Access to Capital Act of 2016

Congress: 114 (2015–2017, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: May 15, 2015

Current Status: Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Sep 12, 2016)

Latest Action: Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Sep 12, 2016)

Official Text: <https://www.congress.gov/bill/114th-congress/house-bill/2357>

Sponsor

Name: Rep. Wagner, Ann [R-MO-2]

Party: Republican • **State:** MO • **Chamber:** House

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Sep 12, 2016
Financial Services Committee	House	Hearings By (subcommittee)	May 13, 2015

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

Bill	Relationship	Last Action
114 HR 5983	Related bill	Dec 20, 2016: Placed on the Union Calendar, Calendar No. 693.
114 HRES 844	Related bill	Sep 8, 2016: Motion to reconsider laid on the table Agreed to without objection.
114 HR 4850	Related bill	Sep 6, 2016: Placed on the Union Calendar, Calendar No. 561.
114 HR 4852	Related bill	Sep 6, 2016: Placed on the Union Calendar, Calendar No. 562.

Accelerating Access to Capital Act of 2016

TITLE I--ACCELERATING ACCESS TO CAPITAL

(Sec. 101) This bill directs the Securities and Exchange Commission (SEC) to revise Form S-3 (a simplified securities registration form for companies that have already met other reporting requirements) so as to permit securities to be registered pursuant to General Instruction I.B.1. of the form if: (1) the aggregate market value of voting and non-voting common equity held by non-affiliates of the registrant is \$75 million or more, or (2) the registrant has at least one class of common equity securities listed and registered on a national securities exchange.

The SEC must remove a certain listing and registration requirement from General Instruction I.B.6. of Form S-3.

TITLE II--MICRO-OFFERING SAFE HARBOR

(Sec. 201) The Securities Act of 1933 is amended to exempt from specified prohibitions against the sale or delivery after sale of unregistered securities, among other things, transactions involving the sale of securities by an issuer of micro-offerings if:

- each purchaser has a substantive pre-existing relationship with either an officer or director of the issuer, or with a shareholder holding 10% or more of the issuer's shares;
- during the 12-month period preceding the transaction there are no more than 35 purchasers of such micro-offerings sold in reliance on this exemption; and
- the aggregate amount of all securities sold by the issuer (including any amount sold in reliance upon the exemption) during the 12-month period preceding the transaction does not exceed \$500,000.

The exemption shall not apply, however, to transactions involving a sale of securities if issuers, officers, beneficial owners, promoters, investment managers, or other specified persons would have triggered the SEC's "bad actor" disqualification standards for certain previous securities violations or criminal convictions. These bad actors are prohibited from participating in a micro-offering.

The bill also exempts such micro-offerings from state regulation of securities offerings.

TITLE III--PRIVATE PLACEMENT IMPROVEMENT

(Sec. 301) The SEC must revise the filing requirements of Regulation D (which provides exemptions from securities registration requirements) to require an issuer that offers or sells securities in reliance upon a certain exemption from registration (for limited offers and sales without regard to the dollar amount of the offering [Rule 506]) to file, no earlier than 15 days after the date of first sale of such securities, a single notice of sales containing the information required by Form D (used to file a notice of an exempt offering of securities under Regulation D) for each new offering of securities.

The SEC shall not: (1) require the issuer to file any notice of sales containing the information required by Form D except for this single notice; (2) condition the availability of the Rule 506 exemption upon the filing of a Form D or similar report; or (3) require issuers to submit written general solicitation materials in connection with a limited offering subject to Rule 506, except when it requests such materials pursuant to specified authority.

The SEC shall revise a specified rule, regarding a Rule 506 offering of a private fund, to characterize as an accredited

investor a "knowledgeable employee" of that private fund or the fund's investment adviser.

The SEC shall not extend to private funds the requirements governing investment company sales literature.

Actions Timeline

- **Sep 12, 2016:** Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.
- **Sep 8, 2016:** Considered under the provisions of rule H. Res. 844. (consideration: CR H5188-5201)
- **Sep 8, 2016:** Rule provides for consideration of H.R. 2357 and H.R. 5424.
- **Sep 8, 2016:** House resolved itself into the Committee of the Whole House on the state of the Union pursuant to H. Res. 844 and Rule XVIII.
- **Sep 8, 2016:** The Speaker designated the Honorable John J. Duncan, Jr. to act as Chairman of the Committee.
- **Sep 8, 2016:** GENERAL DEBATE - The Committee of the Whole proceeded with one hour of general debate on H.R. 2357.
- **Sep 8, 2016:** The House rose from the Committee of the Whole House on the state of the Union to report H.R. 2357.
- **Sep 8, 2016:** The House adopted the amendment in the nature of a substitute as agreed to by the Committee of the Whole House on the state of the Union. (text of amendment in the nature of a substitute: CR H5198)
- **Sep 8, 2016:** The previous question was ordered pursuant to the rule. (consideration: CR H5198)
- **Sep 8, 2016:** Mr. Kilmer moved to recommit with instructions to the Committee on Financial Services. (consideration: CR H5198-5200; text: CR H5198-5199)
- **Sep 8, 2016:** DEBATE - The House proceeded with 10 minutes of debate on the motion to recommit with instructions. The instructions contained in the motion seek to require the bill to be reported back to the House forthwith with an amendment to allow the Securities and Exchange Commission to condition the availability of an exemption on the disclosure of cybersecurity risks to the SEC.
- **Sep 8, 2016:** The previous question on the motion to recommit with instructions was ordered without objection. (consideration: CR H5199)
- **Sep 8, 2016:** On motion to recommit with instructions Failed by the Yeas and Nays: 180 - 233 (Roll no. 492).
- **Sep 8, 2016:** Passed/agreed to in House: On passage Passed by recorded vote: 236 - 178 (Roll no. 493).
- **Sep 8, 2016:** On passage Passed by recorded vote: 236 - 178 (Roll no. 493).
- **Sep 8, 2016:** Motion to reconsider laid on the table Agreed to without objection.
- **Sep 6, 2016:** Rules Committee Resolution H. Res. 844 Reported to House. Rule provides for consideration of H.R. 2357 and H.R. 5424.
- **Apr 19, 2016:** Reported by the Committee on Financial Services. H. Rept. 114-506.
- **Apr 19, 2016:** Placed on the Union Calendar, Calendar No. 386.
- **May 20, 2015:** Committee Consideration and Mark-up Session Held.
- **May 20, 2015:** Ordered to be Reported by the Yeas and Nays: 33 - 24.
- **May 15, 2015:** Introduced in House
- **May 15, 2015:** Referred to the House Committee on Financial Services.
- **May 13, 2015:** Hearings Held by the Subcommittee on Capital Markets and Government Sponsored Enterprises Prior to Referral.