

## HR 37

### Promoting Job Creation and Reducing Small Business Burdens Act

**Congress:** 114 (2015–2017, Ended)

**Chamber:** House

**Policy Area:** Finance and Financial Sector

**Introduced:** Jan 6, 2015

**Current Status:** Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Jan 16, 2015)

**Latest Action:** Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Jan 16, 2015)

**Official Text:** <https://www.congress.gov/bill/114th-congress/house-bill/37>

### Sponsor

**Name:** Rep. Fitzpatrick, Michael G. [R-PA-8]

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

### Cosponsors (8 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Barr, Andy [R-KY-6]	R · KY		Jan 6, 2015
Rep. Fincher, Stephen Lee [R-TN-8]	R · TN		Jan 6, 2015
Rep. Gosar, Paul A. [R-AZ-4]	R · AZ		Jan 6, 2015
Rep. Guinta, Frank C. [R-NH-1]	R · NH		Jan 7, 2015
Rep. Huizenga, Bill [R-MI-2]	R · MI		Jan 7, 2015
Rep. Hurt, Robert [R-VA-5]	R · VA		Jan 7, 2015
Rep. Stivers, Steve [R-OH-15]	R · OH		Jan 7, 2015
Rep. Sessions, Pete [R-TX-32]	R · TX		Jan 8, 2015

### Committee Activity

Committee	Chamber	Activity	Date
Agriculture Committee	House	Referred To	Jan 6, 2015
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Jan 16, 2015
Financial Services Committee	House	Referred To	Jan 6, 2015

### Subjects & Policy Tags

#### Policy Area:

Finance and Financial Sector

## Related Bills

Bill	Relationship	Last Action
114 HR 1675	Related bill	<b>Feb 4, 2016:</b> Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.
114 HR 686	Related bill	<b>Jan 28, 2016:</b> Placed on the Union Calendar, Calendar No. 303.
114 HR 1965	Related bill	<b>Jan 28, 2016:</b> Placed on the Union Calendar, Calendar No. 302.
114 HR 1317	Related bill	<b>Nov 17, 2015:</b> Received in the Senate and Read twice and referred to the Committee on Agriculture, Nutrition, and Forestry.
114 HR 1525	Related bill	<b>Oct 7, 2015:</b> Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.
114 S 1978	Related bill	<b>Aug 5, 2015:</b> Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.
114 HR 1334	Related bill	<b>Jul 15, 2015:</b> Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.
114 HR 1847	Related bill	<b>Jul 15, 2015:</b> Received in the Senate and Read twice and referred to the Committee on Agriculture, Nutrition, and Forestry.
114 HR 2064	Related bill	<b>Jul 15, 2015:</b> Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.
114 S 1560	Related bill	<b>Jun 11, 2015:</b> Read twice and referred to the Committee on Agriculture, Nutrition, and Forestry.
114 HR 1912	Related bill	<b>Apr 21, 2015:</b> Referred to the House Committee on Financial Services.
114 S 1010	Related bill	<b>Apr 20, 2015:</b> Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.
114 HR 1841	Related bill	<b>Apr 16, 2015:</b> Referred to the House Committee on Financial Services.
114 HR 1659	Related bill	<b>Mar 26, 2015:</b> Referred to the House Committee on Financial Services.
114 S 876	Related bill	<b>Mar 26, 2015:</b> Referred to the Committee on Agriculture, Nutrition, and Forestry.
114 S 576	Related bill	<b>Mar 24, 2015:</b> Committee on Banking, Housing, and Urban Affairs Subcommittee on Securities, Insurance, and Investment. Hearings held. With printed Hearing: S.Hrg. 114-16.
114 HRES 27	Related bill	<b>Jan 13, 2015:</b> Motion to reconsider laid on the table Agreed to without objection.

(This measure has not been amended since it was introduced. The summary has been expanded because action occurred on the measure.)

### **Promoting Job Creation and Reducing Small Business Burdens Act**

#### **TITLE I--BUSINESS RISK MITIGATION AND PRICE STABILIZATION ACT**

(Sec. 101) This bill amends the Commodity Exchange Act (CEA) to exempt, from prudential rules for swap dealers and major swap participants with respect to initial and variation margin requirements for swaps not cleared by a registered derivatives clearing organization, those swaps in which one of the counterparties: (1) is eligible for an exception from clearing requirements because it is not a financial entity, uses swaps to hedge or mitigate commercial risk, and notifies the Commodity Futures Trading Commission (CFTC) how it meets financial obligations associated with entering into non-cleared swaps; or (2) satisfies specified criteria governing treatment of affiliates in connection with clearing requirements.

Amends the Securities Exchange Act of 1934 (SEA 1934), regarding registration and regulation of security-based swap dealers and major security-based swap participants, to exempt from initial and variation margin requirements for swaps not cleared by a registered derivatives clearing organization a security-based swap in which one of the counterparties: (1) qualifies for a specified exception from clearing requirements, or (2) satisfies certain criteria governing the treatment of affiliates.

(Sec. 102) Requires that the amendments to the CEA made by this Act be implemented: (1) without regard to federal information policy requirements or the notice and comment requirements of federal administrative procedure; and (2) through promulgation of an interim final rule, pursuant to which public comment will be sought before a final rule is issued.

Limits the disregard of such federal information policy and notice and comment requirements solely to changes to rules and regulations, or proposed rule and regulations, that are limited to, and directly a consequence of, the amendments to the CEA made by this Act.

#### **TITLE II--TREATMENT OF AFFILIATE TRANSACTIONS**

(Sec. 201) Authorizes exemption of affiliate transactions from clearing requirements only if the affiliate enters into a swap to hedge or mitigate the commercial risk of the person that is not a financial entity (as under current law), provided that an appropriate credit support measure or other mechanism must be used if the hedge or mitigation of commercial risk is addressed by entering into a swap with either: (1) a swap dealer or major swap participant, or (2) a security-based swap with a security-based swap dealer or major security-based swap participant.

#### **TITLE III--HOLDING COMPANY REGISTRATION THRESHOLD EQUALIZATION ACT**

(Sec. 301) Amends the SEA 1934 to require that an issuer that is a savings and loan holding company to register with the Securities and Exchange Commission (SEC) if: (1) its assets exceed \$10 million, and (2) it has a class of equity security held of record by 2,000 or more persons.

Requires termination of such registration after a savings and loan holding company certifies that its holders of record of that class of security have been reduced to fewer than 1,200 persons.

Suspends automatically the duty of a savings and loan holding company to file supplementary and periodic information if the securities of each class to which the registration statement relates (other than any class of asset-backed securities) are held of record by fewer than 1,200 persons.

#### TITLE IV--SMALL BUSINESS MERGERS, ACQUISITIONS, SALES, AND BROKERAGE SIMPLIFICATION ACT

(Sec. 401) Amends the SEA 1934 to exempt from its registration requirements certain merger and acquisition brokers.

Denies such registration exemption, however, to brokers who: (1) receive, hold, transmit, or have custody of any funds or securities to be exchanged by parties to a transfer of ownership of an eligible privately held company; or (2) engage on behalf of an issuer in a public offering of securities that are either subject to mandatory registration, or with respect to which the issuer must file periodic information, documents, and reports.

Prohibits this Act from being construed to limit any other authority of the SEC to exempt any person, or any class of persons, from any provision of this Act, including any related rule or regulation.

#### TITLE V--SWAP DATA REPOSITORY AND CLEARINGHOUSE INDEMNIFICATION CORRECTIONS

(Sec. 501) Amends the CEA, with respect to derivatives clearing organizations and swap data repositories, to repeal the prerequisite that, before the CFTC may share information with specified regulatory agencies, such agencies must agree to indemnify the CFTC for expenses arising from litigation relating to information so provided.

Amends the SEA 1934 to repeal similarly the prerequisite that, before a security-based swap data repository may share information with specified regulatory entities, such entities must agree to indemnify both the repository and the SEC for expenses arising from litigation relating to the information so provided.

Declares that these amendments shall take effect as if enacted as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act on July 21, 2010.

#### TITLE VI--IMPROVING ACCESS TO CAPITAL FOR EMERGING GROWTH COMPANIES ACT

(Sec. 601) Amends the Securities Act of 1933 to reduce from 21 to 15 the number of days before a "road show" that an emerging growth company (EGC), before its initial public offering (IPO) date, may publicly file a draft registration statement for confidential nonpublic review by the SEC.

(A financial "road show" is an offer [other than a statutory prospectus or a portion of one] that contains a presentation regarding an offering by one or more members of the issuer's management and includes discussion of one or more of the issuer, such management, and the securities being offered. Typically, a road show is a series of meetings across different cities, often before an IPO, in which top executives from a company have the opportunity to talk with current or potential investors.)

(Sec. 602) Prescribes a grace period during which an issuer that was an EGC at the time it filed a confidential registration statement (or, in lieu of that, a publicly filed registration statement) for SEC review, but ceases to be an EGC, shall continue to be treated as an emerging market growth company for one year or, if earlier, until consummation of its IPO.

(Sec. 603) Amends the Jumpstart Our Business Startups Act to direct the SEC to prescribe conditions under which a registration statement filed (or submitted for confidential review) by an issuer before its IPO may omit financial disclosure information for historical periods otherwise required.

## TITLE VII--SMALL COMPANY DISCLOSURE SIMPLIFICATION ACT

(Sec. 701) Exempts ECGs and issuers with total annual gross revenues of less than \$250 million from the requirements to use Extensible Business Reporting Language (XBRL) for mandatory periodic reporting filed with the SEC. Allows such companies, however, to elect to use XBRL for such reporting.

(Sec. 702) Directs the SEC to: (1) analyze the costs and benefits to such issuers of the requirements to use XBRL for financial statements and other mandatory periodic reporting; and (2) report to certain congressional committees on the results of such analysis as well as on progress in implementing XBRL reporting within the SEC, and the use of XBRL data by the SEC and by investors.

## TITLE VIII--RESTORING PROVEN FINANCING FOR AMERICAN EMPLOYERS ACT

(Sec. 801) Amends the Bank Holding Company Act of 1956 regarding certain prohibitions on proprietary trading by banking entities and certain relationships with hedge funds and private equity funds (Volcker Rule).

Delays until July 21, 2019, the requirement that a banking entity or nonbank financial company supervised by the Board of Governors of the Federal Reserve System bring into compliance with the Volcker Rule its activities related to or investments in any debt securities of collateralized loan obligations issued before January 31, 2014.

## TITLE IX--SBIC ADVISERS RELIEF ACT

(Sec. 901) Amends the Investment Advisers Act of 1940 to exempt specified advisers of small business investment companies (SBICs) from certain: (1) SEC registration requirements with respect to the provision of investment advice relating to venture capital funds, and (2) SEC registration and reporting requirements regarding assets under management of private funds.

(Sec. 903) Provides the same exemption with respect to any state or local law requiring the registration, licensing, or qualifications of investment advisers.

## TITLE X--DISCLOSURE MODERNIZATION AND SIMPLIFICATION ACT

(Sec. 1001) Directs the SEC to: (1) issue regulations permitting issuers to submit a summary page on annual and transition report form 10-K if each item on that page cross-references the material contained in form 10-K; (2) revise regulation S-K in order to reduce the burden on smaller issuers, including emerging growth companies, accelerated filers, and smaller reporting companies, while still providing all material information to investors; and (3) eliminate duplicative, overlapping, outdated, or unnecessary provisions in the regulation.

(Sec. 1003) Directs the SEC to study ways to: (1) modernize and simplify the requirements in regulation S-K, (2) improve the readability and navigability of disclosure documents, and (3) discourage repetition and disclosure of immaterial information.

## TITLE XI--ENCOURAGING EMPLOYEE OWNERSHIP ACT

(Sec. 1101) Directs the SEC to revise regulations to require an issuer to furnish investors with additional specified disclosures regarding compensatory benefit plans if the aggregate sales price or amount of securities sold during any consecutive 12-month period exceeds \$10 million (currently \$5 million), indexed for inflation every five years.

## Actions Timeline

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- **Jan 16, 2015:** Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.
- **Jan 14, 2015:** Pursuant to clause 1(c) of rule 19, further consideration of H.R. 37 will resume.
- **Jan 14, 2015:** Considered as unfinished business. (consideration: CR H394-396)
- **Jan 14, 2015:** Mr. Moulton moved to recommit with instructions to the Committee on Financial Services. (consideration: CR H394-395; text: CR H394)
- **Jan 14, 2015:** Floor summary: DEBATE - The House proceeded with 10 minutes of debate on the Moulton motion to recommit with instructions. The instructions contained in the motion seek to require the bill to be reported back to the House with an amendment to prohibit individuals convicted of providing financial assistance to terrorist organizations or state sponsors of terrorism from participation in activities allowed under the underlying legislation.
- **Jan 14, 2015:** The previous question on the motion to recommit with instructions was ordered without objection. (consideration: CR H395)
- **Jan 14, 2015:** On motion to recommit with instructions Failed by recorded vote: 183 - 242 (Roll no. 36).
- **Jan 14, 2015:** Passed/agreed to in House: On passage Passed by recorded vote: 271 - 154 (Roll no. 37).
- **Jan 14, 2015:** On passage Passed by recorded vote: 271 - 154 (Roll no. 37).
- **Jan 14, 2015:** Motion to reconsider laid on the table Agreed to without objection.
- **Jan 13, 2015:** Considered under the provisions of rule H. Res. 27. (consideration: CR H341-354; text of measure as introduced: CR H341-344)
- **Jan 13, 2015:** All points of order against consideration of the bills are waived. H.R. 37 H.R. 185 shall be debatable for 1 hour, and H.R. 240 shall be debatable for 2 hours the previous question considered ordered without intervening motions except one motion to recommit. For H.R. 185, only those amendments printed in Part A of the report shall be in order. For H.R. 240, only those amendments printed in Part B of the report shall be in order. in Part B of the report shall be in order.
- **Jan 13, 2015:** DEBATE - The House proceeded with one hour of debate on H.R. 37.
- **Jan 13, 2015:** The previous question was ordered pursuant to the rule. (consideration: CR H354)
- **Jan 13, 2015:** POSTPONED PROCEEDINGS - The Chair announced that pursuant to clause 1(c) of rule 19, further proceedings on H.R. 37 would be postponed.
- **Jan 12, 2015:** Rules Committee Resolution H. Res. 27 Reported to House. All points of order against consideration of the bills are waived. H.R. 37 H.R. 185 shall be debatable for 1 hour, and H.R. 240 shall be debatable for 2 hours the previous question considered ordered without intervening motions except one motion to recommit. For H.R. 185, only those amendments printed in Part A of the report shall be in order. For H.R. 240, only those amendments printed in Part B of the report shall be in order. in Part B of the report shall be in order.
- **Jan 7, 2015:** Mr. Fitzpatrick moved to suspend the rules and pass the bill.
- **Jan 7, 2015:** Considered under suspension of the rules. (consideration: CR H71-82; text of measure as introduced: CR H71-74)
- **Jan 7, 2015:** DEBATE - The House proceeded with forty minutes of debate on H.R. 37.
- **Jan 7, 2015:** At the conclusion of debate, the Yeas and Nays were demanded and ordered. Pursuant to the provisions of clause 8, rule XX, the Chair announced that further proceedings on the motion would be postponed.
- **Jan 7, 2015:** Considered as unfinished business. (consideration: CR H93)
- **Jan 7, 2015:** Failed of passage/not agreed to in House: On motion to suspend the rules and pass the bill Failed by the Yeas and Nays: (2/3 required): 276 - 146 (Roll no. 9).
- **Jan 7, 2015:** On motion to suspend the rules and pass the bill Failed by the Yeas and Nays: (2/3 required): 276 - 146 (Roll no. 9).
- **Jan 6, 2015:** Introduced in House
- **Jan 6, 2015:** Referred to the Committee on Financial Services, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.