

HR 6403

New Business Preservation Act

Congress: 116 (2019–2021, Ended)

Chamber: House

Policy Area: Commerce

Introduced: Mar 26, 2020

Current Status: Referred to the House Committee on Financial Services.

Latest Action: Referred to the House Committee on Financial Services. (Mar 26, 2020)

Official Text: <https://www.congress.gov/bill/116th-congress/house-bill/6403>

Sponsor

Name: Rep. Phillips, Dean [D-MN-3]

Party: Democratic • **State:** MN • **Chamber:** House

Cosponsors (4 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Khanna, Ro [D-CA-17]	D · CA		Mar 26, 2020
Rep. Ryan, Tim [D-OH-13]	D · OH		Mar 26, 2020
Rep. Sewell, Terri A. [D-AL-7]	D · AL		Mar 26, 2020
Rep. Rouda, Harley [D-CA-48]	D · CA		May 28, 2020

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred To	Mar 26, 2020

Subjects & Policy Tags

Policy Area:

Commerce

Related Bills

Bill	Relationship	Last Action
116 S 3515	Identical bill	Mar 18, 2020: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

New Business Preservation Act

This bill establishes and provides funding for the Innovation and Startups Equity Investment Program, through which the Department of the Treasury shall work with states to invest in new businesses.

Specifically, the bill requires Treasury to provide certain funds to participating states, which such states shall use to administer specified approved programs that provide equity investment in new businesses. Certain areas with high levels of venture capital activity are excluded from the calculation of funds allocated to a participating state. Treasury shall also award funds to approved state programs to provide follow-on investments.

If a state receives funds from an exit, the state shall use such funds to further invest in startups under the approved program. An *exit* is defined as the (1) acquisition of a startup in which a state has invested under the program; (2) sale of a share of such startup following an initial public offering; or (3) voluntary purchase of a state's ownership interest by the startup, investors, or existing shareholders.

Actions Timeline

- **Mar 26, 2020:** Introduced in House
- **Mar 26, 2020:** Referred to the House Committee on Financial Services.