

## S 1504

Sponsor Promote and Compensation Act

**Congress:** 117 (2021–2023, Ended)

**Chamber:** Senate

**Policy Area:** Finance and Financial Sector

**Introduced:** Apr 29, 2021

**Current Status:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

**Latest Action:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Apr 29, 2021)

**Official Text:** <https://www.congress.gov/bill/117th-congress/senate-bill/1504>

### Sponsor

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**Name:** Sen. Kennedy, John [R-LA]

**Party:** Republican • **State:** LA • **Chamber:** Senate

### Cosponsors

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No cosponsors are listed for this bill.

### Committee Activity

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| Committee                                     | Chamber | Activity    | Date         |
|---|---------|-------------|--------------|
| Banking, Housing, and Urban Affairs Committee | Senate  | Referred To | Apr 29, 2021 |

### Subjects & Policy Tags

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#### Policy Area:

Finance and Financial Sector

### Related Bills

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No related bills are listed.

## **Sponsor Promote and Compensation Act**

This bill establishes additional disclosure requirements for a blank check company (e.g., a special purpose acquisition company) during an initial public offering or prior to a merger. A *blank check company* is a development stage company that issues a penny stock and (1) has no specific business plan or purpose, or (2) has indicated that its business plan is to merge with a company or companies.

Specifically, the bill requires such a company to disclose

- the amount of cash per share expected to be held by the blank check company immediately prior to the merger under various redemption scenarios;
- side payments or agreements to pay sponsors, blank check company investors, or private investors in public equity for their participation in the merger; and
- fees or other payments to the sponsor, underwriter, and any other party.

## **Actions Timeline**

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- **Apr 29, 2021:** Introduced in Senate
- **Apr 29, 2021:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.