

113TH CONGRESS
1ST SESSION

H. R. 3623

To amend certain provisions of the securities laws relating to the treatment of emerging growth companies.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 22, 2013

Mr. FINCHER (for himself and Mr. DELANEY) introduced the following bill;
which was referred to the Committee on Financial Services

A BILL

To amend certain provisions of the securities laws relating to the treatment of emerging growth companies.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Improving Access to
5 Capital for Emerging Growth Companies Act”.

6 **SEC. 2. FILING REQUIREMENT FOR PUBLIC FILING PRIOR**
7 **TO PUBLIC OFFERING.**

8 Section 6(e)(1) of the Securities Act of 1933 (15
9 U.S.C. 77f(e)(1)) is amended by striking “21 days” and
10 inserting “15 days”.

1 **SEC. 3. GRACE PERIOD FOR CHANGE OF STATUS OF**
2 **EMERGING GROWTH COMPANIES.**

3 Section 6(e)(1) of the Securities Act of 1933 (15
4 U.S.C. 77f(e)(1)) is further amended by adding at the end
5 the following: “An issuer that was an emerging growth
6 company at the time it filed a confidential registration
7 statement for review under this subsection but is no longer
8 an emerging growth company shall continue to be treated
9 as an emerging growth company for purposes of this sub-
10 section through the earlier of the date on which the issuer
11 consummates its initial public offering pursuant to such
12 registration statement or the end of the 1-year period be-
13 ginning on the date that the company is no longer an
14 emerging growth company.”.

15 **SEC. 4. SIMPLIFIED DISCLOSURE REQUIREMENTS FOR**
16 **EMERGING GROWTH COMPANIES.**

17 Section 102 of the Jumpstart Our Business Startups
18 Act (Public Law 112–106) is amended by adding at the
19 end the following:

20 “(d) SIMPLIFIED DISCLOSURE REQUIREMENTS.—
21 With respect to an emerging growth company (as such
22 term is defined under section 2 of the Securities Act of
23 1933):

24 “(1) REQUIREMENT TO INCLUDE NOTICE ON
25 FORM S–1.—Not later than 30 days after the date
26 of enactment of this subsection, the Securities and

1 Exchange Commission shall revise its general in-
2 structions on Form S-1 to indicate that a registra-
3 tion statement filed (or submitted for confidential
4 review) by an issuer prior to an initial public offer-
5 ing may omit financial information for historical pe-
6 riods otherwise required by regulation S-X (17
7 C.F.R. 210.1-01 et seq.) as of the time of filing (or
8 confidential submission) of such registration state-
9 ment, provided that—

10 “(A) prior to the issuer distributing a pre-
11 liminary prospectus to investors, such registra-
12 tion statement is amended to include all rel-
13 evant periods required at the date of such
14 amendment; and

15 “(B) the issuer reasonably believes such fi-
16 nancial disclosure will no longer be required to
17 be included in the Form S-1 at the time of the
18 contemplated offering.

19 “(2) RELIANCE BY ISSUERS.—Effective 30 days
20 after the date of enactment of this subsection, an
21 issuer filing a registration statement (or submitting
22 the statement for confidential review) utilizing Form
23 S-1 may omit financial information for historical pe-
24 riods otherwise required by regulation S-X (17
25 C.F.R. 210.1-01 et seq.) as of the time of filing (or

1 confidential submission) of such registration state-
2 ment, provided that prior to the public filing of
3 Form S-1, such registration statement is amended
4 to include all relevant periods required at the date
5 of such amendment.”.

6 **SEC. 5. FILING REQUIREMENTS FOR FOLLOW-ON OFFER-**
7 **INGS.**

8 Section 6(e) of the Securities Act of 1933 (15 U.S.C.
9 77f(e)) is further amended by adding at the end the fol-
10 lowing:

11 “(3) FOLLOW-ON OFFERINGS.—An emerging
12 growth company may, within 1 year of the com-
13 pany’s initial public offering, confidentially submit to
14 the Commission a draft registration statement for
15 any securities to be issued subsequent to its initial
16 public offering, for confidential nonpublic review by
17 the staff of the Commission prior to publicly filing
18 a registration statement, provided that the initial
19 confidential submission and all amendments thereto
20 shall be publicly filed with the Commission not later
21 than 2 days before the date on which the emerging
22 growth company issues such securities.”.

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