

DECEMBER 2, 2025

RULES COMMITTEE PRINT 119-15

TEXT OF H.R. 3383, THE INCREASING INVESTOR

OPPORTUNITIES ACT [INVEST ACT]

[Showing the text of H.R. 1013, H.R. 1190, H.R. 1469, H.R. 2225, H.R. 2441, H.R. 3301, H.R. 3339, H.R. 3343, H.R. 3351, H.R. 3352, H.R. 3357, H.R. 3381, H.R. 3383, H.R. 3394, H.R. 3395, H.R. 3645, H.R. 3673, H.R. 4429, H.R. 4430, H.R. 4431, and H.R. 4449 as reported by the Committee on Financial Services, and H.R. 3382 as reported by the Committee on Financial Services with modifications]

1 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Incentivizing New Ventures and Economic Strength
4 Through Capital Formation Act of 2025” or the “IN-
5 VEST Act of 2025”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—EXPANDING ACCESS TO CAPITAL FOR SMALL BUSINESSES

Sec. 101. Expanding access to capital for rural job creators.
Sec. 102. Helping angels lead our startups.
Sec. 103. Amendment for crowdfunding capital enhancement and small-business support.
Sec. 104. Small business investor capital access.
Sec. 105. Advocating for small business.
Sec. 106. Small entity update.
Sec. 107. Improving access to small business information.
Sec. 108. Improving capital allocation for newcomers.
Sec. 109. Developing and empowering our aspiring leaders.

TITLE II—INCREASING OPPORTUNITIES FOR INVESTORS

Sec. 201. Fair investment opportunities for professional experts.

Sec. 202. Retirement fairness for charities and educational institutions.
Sec. 203. Equal opportunity for all investors.
Sec. 204. Senior Security.
Sec. 205. Improving disclosure for investors.
Sec. 206. Increasing investor opportunities.

TITLE III—STRENGTHENING PUBLIC MARKETS

Sec. 301. Encouraging local emerging ventures and economic growth.
Sec. 302. Access to small business investor capital.
Sec. 303. Encouraging public offerings.
Sec. 304. Greenlighting growth.
Sec. 305. Middle market IPO cost.
Sec. 306. Expanding WKS1 eligibility.
Sec. 307. Enhancing multi-class share disclosures.

1 **TITLE I—EXPANDING ACCESS TO 2 CAPITAL FOR SMALL BUSI- 3 NESSES**

4 **SEC. 101. EXPANDING ACCESS TO CAPITAL FOR RURAL JOB 5 CREATORS.**

6 Section 4(i) of the Securities Exchange Act of 1934
7 (15 U.S.C. 78d(i)) is amended—

8 (1) in paragraph (4)(C), by inserting “, rural-
9 area small businesses” after “women-owned small
10 businesses”; and

11 (2) in paragraph (6)(B)(iii), by inserting “,
12 rural-area small businesses” after “women-owned
13 small businesses”.

14 **SEC. 102. HELPING ANGELS LEAD OUR STARTUPS.**

15 (a) **DEFINITIONS.**—For purposes of this section and
16 the revision of rules required under this section:

17 (1) **ANGEL INVESTOR GROUP.**—The term
18 “angel investor group” means any group that—

1 (A) is composed of accredited investors in-
2 terested in investing personal capital in early-
3 stage companies;

4 (B) holds regular meetings and has defined
5 processes and procedures for making invest-
6 ment decisions, either individually or among the
7 membership of the group as a whole; and

8 (C) is neither associated nor affiliated with
9 brokers, dealers, or investment advisers.

14 (b) IN GENERAL.—Not later than 6 months after the
15 date of enactment of this Act, the Securities and Ex-
16 change Commission shall revise Regulation D (17 CFR
17 230.500 et seq.) to require that in carrying out the prohi-
18 bition against general solicitation or general advertising
19 contained in section 230.502(c) of title 17, Code of Fed-
20 eral Regulations, the prohibition shall not apply to a pres-
21 entation or other communication made by or on behalf of
22 an issuer which is made at an event—

23 (1) sponsored by—

24 (A) the United States or any territory
25 thereof, the District of Columbia, any State, a

1 federally recognized Indian Tribe, a political
2 subdivision of any State, territory, or federally
3 recognized Indian Tribe, or any agency or pub-
4 lic instrumentality of any of the foregoing;

5 (B) a college, university, or other institu-
6 tion of higher education;

7 (C) a nonprofit organization;

8 (D) an angel investor group;

9 (E) an incubator or accelerator;

10 (F) a venture forum, venture capital asso-
11 ciation, or trade association, other than an as-
12 sociation created solely for the purpose of spon-
13 soring an event described under this subsection;
14 or
15 (G) any other group, person, or entity as
16 the Securities and Exchange Commission may
17 determine by rule;

18 (2) that is not held in any facility that is owned
19 or operated by a religious organization, other than
20 an institution of higher education that is accredited
21 and operated primarily for post-secondary education;

22 (3) where any advertising for the event does not
23 reference any specific offering of securities by the
24 issuer;

25 (4) the sponsor of which—

1 (A) does not make investment recommendations or provide investment advice to
2 event attendees;

4 (B) does not engage in an active role in
5 any investment negotiations between the issuer
6 and investors attending the event;

7 (C) does not charge event attendees any
8 fees other than reasonable administrative fees;

9 (D) does not receive any compensation for
10 making introductions between investors attend-
11 ing the event and issuers, or for investment ne-
12 gotiations between such parties;

13 (E) makes readily available to attendees a
14 disclosure not longer than one page in length,
15 as prescribed by the Securities and Exchange
16 Commission, describing the nature of the event
17 and the risks of investing in the issuers pre-
18 senting at the event; and

19 (F) does not receive any compensation
20 with respect to such event that would require
21 registration of the sponsor as a broker or a
22 dealer under the Securities Exchange Act of
23 1934, or as an investment advisor under the In-
24 vestment Advisers Act of 1940; and

1 (5) where no specific information regarding an
2 offering of securities by the issuer is communicated
3 or distributed by or on behalf of the issuer, other
4 than—

5 (A) that the issuer is in the process of offering securities or planning to offer securities;

6

7 (B) the type and amount of securities
8 being offered;

9 (C) the amount of securities being offered
10 that have already been subscribed for; and

11 (D) the intended use of proceeds of the of-
12 fering.

13 (c) RULE OF CONSTRUCTION.—Subsection (b) may
14 only be construed as requiring the Securities and Ex-
15 change Commission to amend the requirements of Regula-
16 tion D with respect to presentations and communications,
17 and not with respect to purchases or sales.

18 (d) NO PRE-EXISTING SUBSTANTIVE RELATIONSHIP
19 BY REASON OF EVENT.—Attendance at an event de-
20 scribed under subsection (b) shall not qualify, by itself,
21 as establishing a pre-existing substantive relationship be-
22 tween an issuer and a purchaser, for purposes of Rule
23 506(b).

1 **SEC. 103. AMENDMENT FOR CROWDFUNDING CAPITAL EN-**
2 **HANCEMENT AND SMALL-BUSINESS SUP-**
3 **PORT.**

4 (a) IN GENERAL.—Section 4A of the Securities Act
5 of 1933 (15 U.S.C. 77d–1) is amended—

6 (1) in subsection (b)(1)(D), by striking
7 “\$100,000” each place such term appears and in-
8 serting “\$250,000”; and

9 (2) by adding at the end the following:

10 “(i) DISCRETION TO ADJUST AMOUNT.—The Com-
11 mission may increase the amount specified in subsections
12 (b)(1)(D)(i) and (b)(1)(D)(ii) from \$250,000 to an
13 amount not greater than \$400,000 upon the recommenda-
14 tion of the Office of the Advocate for Small Business Cap-
15 ital Formation and the Office of the Investor Advocate.”.

16 (b) TECHNICAL CORRECTIONS.—The Securities Act
17 of 1933 (15 U.S.C. 77a et seq.) is amended—

18 (1) in section 4A—

19 (A) by striking “section 4(6)” each place
20 such term appears and inserting “section
21 4(a)(6)”; and

22 (B) by striking “section 4(6)(B)” each
23 place such term appears and inserting “section
24 4(a)(6)(B)”;

25 (2) in section 16(f)(3), by striking “section
26 4(2)” and inserting “section 4(a)(2)”; and

1 (3) in section 18—

2 (A) in subsection (b)(4)—

3 (i) in subparagraph (B), by striking
4 “section 4(4)” and inserting “section
5 4(a)(4);

6 (ii) in subparagraph (C), by striking
7 “section 4(6)” and inserting “section
8 4(a)(6); and

9 (iii) in subparagraph (F), by striking
10 “section 4(2)” each place such term ap-

14 SEC. 104. SMALL BUSINESS INVESTOR CAPITAL ACCESS

15 Section 203(m) of the Investment Advisers Act of
16 1940 (15 U.S.C. 80b-3(m)) is amended—

20 “(5) INFLATION ADJUSTMENT.—The Commis-
21 sion shall, every 5 years, adjust the dollar amount
22 described under paragraph (1) to reflect the change
23 in the Consumer Price Index for All Urban Con-
24 sumers published by the Bureau of Labor Statistics

1 of the Department of Labor, and round such dollar
2 amount to the nearest multiple of \$1,000,000.”.

3 **SEC. 105. ADVOCATING FOR SMALL BUSINESS.**

4 Section 4 of the Securities Exchange Act of 1934 (15
5 U.S.C. 78d) is amended by adding at the end the fol-
6 lowing:

7 “(k) OFFICES OF SMALL BUSINESS.—The Commis-
8 sion shall ensure that, within each of the Division of Cor-
9 poration Finance, the Division of Investment Manage-
10 ment, and the Division of Trading and Markets, an Office
11 of Small Business is established that shall coordinate with
12 the Office of the Advocate for Small Business Capital For-
13 mation on rules and policy priorities related to capital for-
14 mation.”.

15 **SEC. 106. SMALL ENTITY UPDATE.**

16 (a) DEFINITIONS.—In this section—

17 (1) the term “Commission” means the Securi-
18 ties and Exchange Commission; and

19 (2) the term “small entity”—

20 (A) has the meaning given the term in sec-
21 tion 601 of title 5, United States Code, with re-
22 spect to the activities of the Commission; and

23 (B) includes any definition established by
24 the Commission of the term “small business”,
25 “small organization”, “small governmental ju-

5 (b) STUDIES AND REPORTS.—Not later than 1 year
6 after the date of enactment of this Act, and again 5 years
7 thereafter, the Commission shall—

12 (A) the extent to which the definition of
13 the term “small entity”, as in effect during the
14 period in which the study is conducted, aligns
15 with the findings and declarations made under
16 section 2(a) of the Regulatory Flexibility Act (5
17 U.S.C. 601 note);

18 (B) the amount by which financial markets
19 in the United States have grown since the last
20 time the Commission amended the definition of
21 the term “small entity”, if applicable; and

22 (C) how the Commission should define the
23 term “small entity” to ensure that the entities
24 that would fall under that definition be appro-

3 (2) submit to Congress a report that includes—

4 (A) the results of the applicable study con-
5 ducted under paragraph (1); and

6 (B) specific and detailed recommendations
7 on the ways in which the Commission could
8 amend the definition of the term “small entity”
9 to—

10 (i) be consistent with the results de-
11 scribed in subparagraph (A); and

12 (ii) expand the number of entities cov-
13 ered by such definition.

14 (c) PROPOSED RULE REVISIONS IN LIEU OF
15 STUDY.—

10 (d) RULEMAKING.—Concurrently with, or after the
11 completion of, each study required under subsection (b),
12 the Commission shall, subject to public notice and com-
13 ment, revise the rules of the Commission consistent with
14 the results of such study.

15 (e) INFLATION ADJUSTMENTS.—After the Commis-
16 sion issues the final rule revisions required under sub-
17 section (c), and every 5 years thereafter, the Commission
18 shall adjust any dollar figures under the definition of small
19 entity established by the Commission to reflect the change
20 in the Consumer Price Index for All Urban Consumers
21 published by the Bureau of Labor Statistics of the Depart-
22 ment of Labor.

1 SEC. 107. IMPROVING ACCESS TO SMALL BUSINESS INFOR-

2 MATION.

3 Section 4(i) of the Securities Exchange Act of 1934
4 (15 U.S.C. 78d(i)) is amended by adding at the end the
5 following:

6 “(10) PRESERVATION OF INFORMATION COL-
7 LECTION BURDEN REVIEW.—

8 “(A) IN GENERAL.—Actions taken by the
9 Advocate for Small Business Capital Formation
10 under this subsection shall not be a ‘collection
11 of information’ for purposes of subchapter I of
12 chapter 35 of title 44, United States Code
13 (commonly known as the ‘Paperwork Reduction
14 Act’).

15 “(B) EXCEPTIONS.—Notwithstanding sub-
16 paragraph (A), the requirements under sub-
17 sections (c)(1), (c)(4), and (i) of section 3506
18 of title 44, United States Code, and section
19 3507(a)(1)(A) of such title shall apply to ac-
20 tions taken by the Advocate for Small Business
21 Capital Formation under this subsection, except
22 that the Commission shall not be required—

23 “(i) to submit a collection of informa-
24 tion by the Advocate to the Director of the
25 Office of Management and Budget, as ref-

17 SEC. 108. IMPROVING CAPITAL ALLOCATION FOR NEW-
18 COMERS.

19 (a) QUALIFYING VENTURE CAPITAL FUNDS.—Section
20 3(c)(1) of the Investment Company Act of 1940 (15
21 U.S.C. 80a-3(c)(1)) is amended—

22 (1) in the matter preceding subparagraph (A),
23 by striking “250 persons” and inserting “500 per-
24 sons”; and

25 (2) in subparagraph (C)(i) =

8 (b) STUDY AND RULEMAKING.—

18 (A) the geographic distribution of capital
19 to portfolio companies;

20 (B) the socio-economic characteristics of
21 founders or controlling persons:

22 (C) the veteran status of founders or con-
23 trolling persons;

24 (D) the industry sector, size, stage of de-
25 velopment, and related details; and

(E) other factors or metrics determined by the Advocate for Small Business Capital Formation.

13 (B) request and receive assistance from
14 any division or office of the Commission, includ-
15 ing the Division of Economic and Risk Anal-
16 ysis; and

17 (C) enter into agreements with third par-
18 ties to assist in data analysis.

6 (5) RULEMAKING.—

7 (A) IN GENERAL.—The Commission, in
8 consultation with the Investor Advocate and the
9 Advocate for Small Business Capital Forma-
10 tion, may, after considering all comments re-
11 ceived under paragraph (3) and only if the
12 Commission determines in such report that the
13 amendments made by subsection (a) have had
14 a demonstrable effect on increasing the geo-
15 graphic distribution of capital to portfolio com-
16 panies, increasing the variety of the socio-eco-
17 nomic characteristics of founders or controlling
18 persons, or increasing the number of founders
19 or controlling persons who are veterans, issue
20 rules to—

21 (i) increase or decrease the 500 per-
22 son threshold described in the matter pre-
23 ceding subparagraph (A) of section 3(c)(1)
24 of the Investment Company Act of 1940,
25 but such threshold may not exceed 750

1 persons or be reduced below 250 persons;

2 and

3 (ii) increase or decrease the
4 \$50,000,000 dollar figure in section
5 3(c)(1)(C)(i) of the Investment Company
6 Act of 1940, but such dollar figure may
7 not exceed \$100,000,000 or be reduced
8 below \$10,000,000.

9 (B) DEADLINE FOR RULEMAKING.—The
10 rulemaking authority in subparagraph (A) only
11 applies to a rule with respect to which the pro-
12 posed rule was issued during the 180-day pe-
13 riod beginning at the end of the public comment
14 period described in paragraph (4).

15 (C) NO EFFECT ON INFLATION ADJUST-
16 MENTS.—A rule issued under this subsection
17 shall have no effect on the requirement under
18 clause (i) of section 3(c)(1)(C) of the Invest-
19 ment Company Act of 1940 (15 U.S.C. 80a-
20 3(c)(1)(C)) to index the first dollar amount in
21 such clause for inflation.

1 **SEC. 109. DEVELOPING AND EMPOWERING OUR ASPIRING**
2 **LEADERS.**

3 Not later than the end of the 180-day period begin-
4 ning on the date of the enactment of this Act, the Securi-
5 ties and Exchange Commission shall—

6 (1) revise the definition of a qualifying invest-
7 ment under paragraph (c) of section 275.203(l)–1 of
8 title 17, Code of Federal Regulations—

9 (A) to include an equity security issued by
10 a qualifying portfolio company, whether ac-
11 quired directly from the company or in a sec-
12 ondary acquisition; and

13 (B) to specify that an investment in an-
14 other venture capital fund (as defined in para-
15 graph (a) section 275.203(l)–1 of title 17, Code
16 of Federal Regulations) is a qualifying invest-
17 ment under such definition; and

18 (2) revise paragraph (a) of such section to re-
19 quire, as a condition of a private fund qualifying as
20 a venture capital fund under such paragraph, that,
21 immediately after the acquisition of any asset, such
22 fund holds no more than 49 percent of the amount
23 of the fund’s aggregate capital contributions and
24 uncalled committed capital (excluding short-term
25 holdings) in—

26 (A) one or more venture capital funds; or

(B) qualifying investments acquired in a secondary acquisition, valued at cost or fair value, consistently applied by the fund.

4 TITLE II—INCREASING OPPOR- 5 TUNITIES FOR INVESTORS

6 SEC. 201. FAIR INVESTMENT OPPORTUNITIES FOR PROFESSIONAL EXPERTS.

8 (a) IN GENERAL.—Section 2(a)(15) of the Securities
9 Act of 1933 (15 U.S.C. 77b(a)(15)) is amended—

10 (1) by redesignating subparagraphs (i) and (ii)
11 as subparagraphs (A) and (F), respectively; and

12 (2) in subparagraph (A) (as so redesignated),
13 by striking “; or” and inserting a semicolon, and in-
14 serting after such subparagraph the following:

15 “(B) with respect to a proposed sale of a
16 security, any natural person whose individual
17 net worth, or joint net worth with that person’s
18 spouse or spousal equivalent, at the time of
19 such sale, exceeds \$1,000,000 (which amount,
20 along with the amounts set forth in subpara-
21 graph (C), shall be adjusted for inflation by the
22 Commission every 5 years to the nearest
23 \$10,000 to reflect the change in the Consumer
24 Price Index for All Urban Consumers published
25 by the Bureau of Labor Statistics) where, for

1 purposes of calculating net worth under this
2 subparagraph—

3 “(i) the person’s primary residence
4 shall not be included as an asset;

5 “(ii) indebtedness that is secured by
6 the person’s primary residence, up to the
7 estimated fair market value of the primary
8 residence at the time of such sale, shall not
9 be included as a liability (except that if the
10 amount of such indebtedness outstanding
11 at the time of such sale exceeds the
12 amount outstanding 60 days before such
13 time, other than as a result of the acquisi-
14 tion of the primary residence, the amount
15 of such excess shall be included as a liabil-
16 ity); and

17 “(iii) indebtedness that is secured by
18 the person’s primary residence in excess of
19 the estimated fair market value of the pri-
20 mary residence at the time of such sale
21 shall be included as a liability;

22 “(C) any natural person who had an indi-
23 vidual income in excess of \$200,000 in each of
24 the 2 most recent years or joint income with
25 that person’s spouse or spousal equivalent in

4 “(D) any natural person who is—

17 “(E) any natural person the Commission
18 determines, by regulation, to have demonstrable
19 education or job experience to qualify such per-
20 son as having professional knowledge of a sub-
21 ject related to a particular investment, and
22 whose education or job experience is verified by
23 a self-regulatory organization (as defined in sec-
24 tion 3(a) of the Securities Exchange Act of
25 1934); or”.

1 (b) RULEMAKING.—Not later than 180 days after the
2 date of enactment of this Act, the Securities and Ex-
3 change Commission shall revise the definition of accred-
4 ited investor under Regulation D (17 CFR 230.500 et
5 seq.) to conform with the amendments made by subsection
6 (a).

7 **SEC. 202. RETIREMENT FAIRNESS FOR CHARITIES AND**
8 **EDUCATIONAL INSTITUTIONS.**

9 (a) AMENDMENTS TO THE INVESTMENT COMPANY
10 ACT OF 1940.—Section 3(c)(11) of the Investment Com-
11 pany Act of 1940 (15 U.S.C. 80a-3(c)(11)) is amended
12 to read as follows:

13 “(11) Any—

14 “(A) employee’s stock bonus, pension, or
15 profit-sharing trust which meets the require-
16 ments for qualification under section 401 of the
17 Internal Revenue Code of 1986;

18 “(B) custodial account meeting the re-
19 quirements of section 403(b)(7) of such Code;

20 “(C) governmental plan described in sec-
21 tion 3(a)(2)(C) of the Securities Act of 1933
22 (15 U.S.C. 77c(a)(2)(C));

23 “(D) collective trust fund maintained by a
24 bank consisting solely of assets of one or
25 more—

1 “(i) trusts described in subparagraph
2 (A);
3 “(ii) governmental plans described in
4 subparagraph (C);
5 “(iii) church plans, companies, or ac-
6 counts that are excluded from the defini-
7 tion of an investment company under para-
8 graph (14) of this subsection; or
9 “(iv) plans which meet the require-
10 ments of section 403(b) of the Internal
11 Revenue Code of 1986—
12 “(I) if—
13 “(aa) such plan is subject to
14 title I of the Employee Retire-
15 ment Income Security Act of
16 1974 (29 U.S.C. 1001 et seq.);
17 “(bb) any employer making
18 such plan available agrees to
19 serve as a fiduciary for the plan
20 with respect to the selection of
21 the plan’s investments among
22 which participants can choose; or
23 “(cc) such plan is a govern-
24 mental plan (as defined in sec-
25 tion 414(d) of such Code); and

1 “(II) if the employer, a fiduciary
2 of the plan, or another person acting
3 on behalf of the employer reviews and
4 approves each investment alternative
5 offered under such plan described
6 under subclause (I)(cc) prior to the
7 investment being offered to partici-
8 pants in the plan; or
9 “(E) separate account the assets of which
10 are derived solely from—
11 “(i) contributions under pension or
12 profit-sharing plans which meet the re-
13 quirements of section 401 of the Internal
14 Revenue Code of 1986 or the requirements
15 for deduction of the employer’s contribu-
16 tion under section 404(a)(2) of such Code;
17 “(ii) contributions under govern-
18 mental plans in connection with which in-
19 terests, participations, or securities are ex-
20 empted from the registration provisions of
21 section 5 of the Securities Act of 1933 (15
22 U.S.C. 77e) by section 3(a)(2)(C) of such
23 Act (15 U.S.C. 77c(a)(2)(C));

1 “(iii) advances made by an insurance
2 company in connection with the operation
3 of such separate account; and
4 “(iv) contributions to a plan described
5 in clause (iii) or (iv) of subparagraph
6 (D).”.

7 (b) AMENDMENTS TO THE SECURITIES ACT OF
8 1933.—Section 3(a)(2) of the Securities Act of 1933 (15
9 U.S.C. 77e(a)(2)) is amended—

10 (1) by striking “beneficiaries, or (D)” and in-
11 serting “beneficiaries, (D) a plan which meets the
12 requirements of section 403(b) of such Code (i) if
13 (I) such plan is subject to title I of the Employee
14 Retirement Income Security Act of 1974 (29 U.S.C.
15 1001 et seq.), (II) any employer making such plan
16 available agrees to serve as a fiduciary for the plan
17 with respect to the selection of the plan’s invest-
18 ments among which participants can choose, or (III)
19 such plan is a governmental plan (as defined in sec-
20 tion 414(d) of such Code), and (ii) if the employer,
21 a fiduciary of the plan, or another person acting on
22 behalf of the employer reviews and approves each in-
23 vestment alternative offered under any plan de-
24 scribed under clause (i)(III) prior to the investment
25 being offered to participants in the plan, or (E)”;

9 (c) AMENDMENTS TO THE SECURITIES EXCHANGE

10 ACT OF 1934.—Section 3(a)(12)(C) of the Securities Ex-
11 change Act of 1934 (15 U.S.C. 78c(a)(12)(C)) is amend-
12 ed—

1 plan described under subclause (I)(cc) prior to the
2 investment being offered to participants in the plan,
3 or (v);

4 (2) by striking “(ii), or (iii)” and inserting
5 “(ii), (iii), or (iv); and

6 (3) by striking “(II) is a plan funded” and in-
7 serting “(II) in the case of a plan not described in
8 clause (iv), is a plan funded”.

9 (d) CONFORMING AMENDMENT TO THE SECURITIES
10 EXCHANGE ACT OF 1934.—Section 12(g)(2)(H) of the
11 Securities Exchange Act of 1934 (15 U.S.C. 78l(g)(2)(H))
12 is amended by striking “or (iii)” and inserting “(iii) a plan
13 described in section 3(a)(12)(C)(iv) of this Act, or (iv)”.

14 **SEC. 203. EQUAL OPPORTUNITY FOR ALL INVESTORS.**

15 (a) IN GENERAL.—The Commission shall revise the
16 definition of “accredited investor” under Regulation D
17 (section 230.500 et seq. of title 17, Code of Federal Regu-
18 lations) to include any natural person who is certified
19 through the examination required under subsection (b).

20 (b) ESTABLISHMENT OF EXAMINATION.—Not later
21 than 1 year after the date of the enactment of this Act,
22 the Commission shall establish an examination (including
23 a test, certification, or examination program)—

24 (1) to certify an individual as an accredited in-
25 vestor; and

1 (2) that—

(A) is designed with an appropriate level of difficulty such that an individual with financial sophistication would be unlikely to fail; and

5 (B) includes methods to determine whether
6 an individual seeking to be certified as an ac-
7 credited investor demonstrates competency with
8 respect to—

9 (i) the different types of securities;

10 (ii) the disclosure requirements under
11 the securities laws applicable to issuers
12 and offerings of securities exempt from
13 registration under section 5 of the Securi-
14 ties Act of 1933 as compared to issuers
15 and offerings of securities subject to such
16 section 5;

17 (iii) corporate governance;

18 (iv) financial statements and the com-
19 ponents of such statements;

20 (v) aspects of unregistered securities,
21 securities issued by private companies, and
22 investments into private funds, including
23 risks associated with—

24 (I) limited liquidity;

25 (II) limited disclosures:

1 (III) subjectivity and variability
2 in valuations and the analytical tools
3 investors may use to assess such valua-
4 tions;

5 (IV) information asymmetry;

6 (V) leverage risks;

7 (VI) concentration risk; and

8 (VII) longer investment horizons;

9 (vi) potential conflicts of interest,
10 when the interests of financial profes-
11 sionals and their clients are misaligned or
12 when their professional responsibilities may
13 be in conflict with financial motivations;
14 and

15 (vii) such other criteria as the Com-
16 mission determines necessary or appro-
17 priate in the public interest or for the pro-
18 tection of investors.

19 (c) ADMINISTRATION.—Beginning not later than 180
20 days after the date the examination is established under
21 subsection (b), such examination shall be administered
22 and offered free of charge to the public by a registered
23 national securities association under section 15A of the
24 Securities Exchange Act of 1934 (15 U.S.C. 78o–3).

1 (d) COMMISSION DEFINED.—In this section, the term
2 “Commission” means the Securities and Exchange Com-
3 mission.

4 **SEC. 204. SENIOR SECURITY.**

5 (a) SENIOR INVESTOR TASKFORCE.—Section 4 of the
6 Securities Exchange Act of 1934 (15 U.S.C. 78d), as
7 amended by section 105 is further amended by adding at
8 the end the following:

9 “(l) SENIOR INVESTOR TASKFORCE.—

10 “(1) ESTABLISHMENT.—There is established
11 within the Commission the Senior Investor
12 Taskforce (in this subsection referred to as the
13 ‘Taskforce’).

14 “(2) DIRECTOR OF THE TASKFORCE.—The
15 head of the Taskforce shall be the Director, who
16 shall—

17 “(A) report directly to the Chairman; and
18 “(B) be appointed by the Chairman, in
19 consultation with the Commission, from among
20 individuals—

21 “(i) currently employed by the Com-
22 mission or from outside of the Commis-
23 sion; and

24 “(ii) having experience in advocating
25 for the interests of senior investors.

1 “(3) STAFFING.—The Chairman shall ensure
2 that—

3 “(A) the Taskforce is staffed sufficiently to
4 carry out fully the requirements of this sub-
5 section; and

6 “(B) such staff shall include individuals
7 from the Division of Enforcement, Office of
8 Compliance Inspections and Examinations, and
9 Office of Investor Education and Advocacy.

10 “(4) NO COMPENSATION FOR MEMBERS OF
11 TASKFORCE.—All members of the Taskforce ap-
12 pointed under paragraph (2) or (3) shall serve with-
13 out compensation in addition to that received for
14 their services as officers or employees of the United
15 States.

16 “(5) MINIMIZING DUPLICATION OF EFFORTS.—
17 In organizing and staffing the Taskforce, the Chair-
18 man shall take such actions as may be necessary to
19 minimize the duplication of efforts within the divi-
20 sions and offices described under paragraph (3)(B)
21 and any other divisions, offices, or taskforces of the
22 Commission.

23 “(6) FUNCTIONS OF THE TASKFORCE.—The
24 Taskforce shall—

1 “(A) identify challenges that senior investors encounter, including problems associated
2 with financial exploitation and cognitive decline;

3 “(B) identify areas in which senior investors would benefit from changes in the regulations
4 of the Commission or the rules of self-regulatory organizations;

5 “(C) coordinate, as appropriate, with other
6 offices within the Commission, other taskforces
7 that may be established within the Commission,
8 self-regulatory organizations, and the Elder
9 Justice Coordinating Council; and

10 “(D) consult, as appropriate, with State
11 securities and law enforcement authorities,
12 State insurance regulators, and other Federal
13 agencies.

14 “(7) REPORT.—The Taskforce, in coordination,
15 as appropriate, with the Office of the Investor Advocate
16 and self-regulatory organizations, and in consultation,
17 as appropriate, with State securities and law enforcement
18 authorities, State insurance regulators, and Federal agencies,
19 shall issue a report every 2 years to the Committee on Banking, Housing,
20 and Urban Affairs and the Special Committee on Aging of the Senate and the Committee on Fi-

1 nancial Services of the House of Representatives, the
2 first of which shall not be issued until after the re-
3 port described in section 3 of the National Senior
4 Investor Initiative Act of 2025 has been issued and
5 considered by the Taskforce, containing—

6 “(A) appropriate statistical information
7 and full and substantive analysis;

8 “(B) a summary of recent trends and inno-
9 vations that have impacted the investment land-
10 scape for senior investors;

11 “(C) a summary of regulatory initiatives
12 that have concentrated on senior investors and
13 industry practices related to senior investors;

14 “(D) key observations, best practices, and
15 areas needing improvement, involving senior in-
16 vestors identified during examinations, enforce-
17 ment actions, and investor education outreach;

18 “(E) a summary of the most serious issues
19 encountered by senior investors, including
20 issues involving financial products and services;

21 “(F) an analysis with regard to existing
22 policies and procedures of brokers, dealers, in-
23 vestment advisers, and other market partici-
24 pants related to senior investors and senior in-
25 vestor-related topics and whether these policies

1 and procedures need to be further developed or
2 refined;

3 “(G) recommendations for such changes to
4 the regulations, guidance, and orders of the
5 Commission and self-regulatory organizations
6 and such legislative actions as may be appro-
7 priate to resolve problems encountered by senior
8 investors; and

9 “(H) any other information, as determined
10 appropriate by the Director of the Taskforce.

11 “(8) REQUEST FOR REPORTS.—The Taskforce
12 shall make any report issued under paragraph (7)
13 available to a Member of Congress who requests
14 such a report.

15 “(9) SUNSET.—The Taskforce shall terminate
16 after the end of the 10-year period beginning on the
17 date of the enactment of this subsection.

18 “(10) SENIOR INVESTOR DEFINED.—In this
19 subsection, the term ‘senior investor’ means an in-
20 vestor over the age of 65.

21 “(11) USE OF EXISTING FUNDS.—The Commis-
22 sion shall use existing funds to carry out this sub-
23 section.”.

24 (b) GAO STUDY.—

1 (1) STUDY.—Not later than 2 years after the
2 date of enactment of this Act, the Comptroller Gen-
3 eral of the United States shall submit to Congress
4 and the Senior Investor Taskforce the results of a
5 study of financial exploitation of senior citizens.

6 (2) CONTENTS.—The study required under
7 paragraph (1) shall include information with respect
8 to—

9 (A) economic costs of the financial exploi-
10 tation of senior citizens—

11 (i) associated with losses by victims
12 that were incurred as a result of the finan-
13 cial exploitation of senior citizens;

20 (iii) incurred by the private sector as
21 a result of the financial exploitation of sen-
22 ior citizens; and

23 (iv) any other relevant costs that—

24 (I) result from the financial ex-
25 ploitation of senior citizens; and

1 (II) the Comptroller General de-
2 termines are necessary and appro-
3 priate to include in order to provide
4 Congress and the public with a full
5 and accurate understanding of the
6 economic costs resulting from the fi-
7 nancial exploitation of senior citizens
8 in the United States;

9 (B) frequency of senior financial exploi-
10 tation and correlated or contributing factors—

11 (i) information about percentage of
12 senior citizens financially exploited each
13 year; and

14 (ii) information about factors contrib-
15 uting to increased risk of exploitation, in-
16 cluding such factors as race, social isola-
17 tion, income, net worth, religion, region,
18 occupation, education, home-ownership, ill-
19 ness, and loss of spouse; and

20 (C) policy responses and reporting of sen-
21 ior financial exploitation—

22 (i) the degree to which financial ex-
23 ploitation of senior citizens unreported to
24 authorities;

1 (ii) the reasons that financial exploi-
2 tation may be unreported to authorities;

3 (iii) to the extent that suspected elder
4 financial exploitation is currently being re-
5 ported—

6 (I) information regarding which
7 Federal, State, and local agencies are
8 receiving reports, including adult pro-
9 tective services, law enforcement, in-
10 dustry, regulators, and professional li-
11 censing boards;

12 (II) information regarding what
13 information is being collected by such
14 agencies; and

15 (III) information regarding the
16 actions that are taken by such agen-
17 cies upon receipt of the report and
18 any limits on the agencies' ability to
19 prevent exploitation, such as jurisdic-
20 tional limits, a lack of expertise, re-
21 source challenges, or limiting criteria
22 with regard to the types of victims
23 they are permitted to serve:

24 (iv) an analysis of gaps that may exist
25 in empowering Federal, State, and local

1 agencies to prevent senior exploitation or
2 respond effectively to suspected senior fi-
3 nancial exploitation; and

4 (v) an analysis of the legal hurdles
5 that prevent Federal, State, and local
6 agencies from effectively partnering with
7 each other and private professionals to ef-
8 ffectively respond to senior financial exploi-
9 tation.

13 SEC. 205. IMPROVING DISCLOSURE FOR INVESTORS.

14 (a) PROMULGATION OF RULES.—Not later than 180
15 days after the date of the enactment of this section, the
16 Securities and Exchange Commission shall propose and,
17 not later than 1 year after the date of the enactment of
18 this section, the Commission shall finalize rules, regula-
19 tions, amendments, or interpretations, as appropriate, to
20 allow a covered entity to satisfy the entity's obligation to
21 deliver regulatory documents required under the securities
22 laws to investors using electronic delivery.

23 (b) REQUIRED PROVISIONS.—Rules, regulations,
24 amendments, or interpretations the Commission promul-
25 gates pursuant to subsection (a) shall:

4 (A) delivery of an initial communication in
5 paper form regarding electronic delivery;

6 (B) a transition period not to exceed 180
7 days until such regulatory documents are deliv-
8 ered to such investors by electronic delivery;
9 and

10 (C) during a period not to exceed 2 years
11 following the transition period set forth in sub-
12 paragraph (B), delivery of an annual notice in
13 paper form solely reminding such investors of
14 the ability to opt out of electronic delivery at
15 any time and receive paper versions of regu-
16 latory documents.

17 (c) EXEMPTION FROM CERTAIN REQUIREMENTS.—
18 Section 101(c) of the Electronic Signatures in Global and
19 National Commerce Act (15 U.S.C. 7001(c)) shall not
20 apply with respect to a regulatory document delivered in
21 accordance with this section.

22 (d) RULE OF CONSTRUCTION.—Nothing in this sec-
23 tion shall be construed as altering the substance or timing
24 of any regulatory document obligation under the securities
25 laws or regulations of a self-regulatory organization.

1 (e) TREATMENT OF REVISIONS NOT COMPLETED IN
2 A TIMELY MANNER.—If the Commission fails to finalize
3 the rules, regulations, amendments, or interpretations re-
4 quired under subsection (a) before the date specified in
5 such subsection—

6 (1) a covered entity may deliver regulatory doc-
7 uments using electronic delivery in accordance with
8 subsections (b) and (c); and

13 (f) OTHER REQUIRED ACTIONS.—

14 (1) REVIEW OF RULES.—The Commission
15 shall—

16 (A) within 180 days of the date of enact-
17 ment of this Act, conduct a review of the rules
18 and regulations of the Commission to determine
19 whether any such rules or regulations require
20 delivery of written documents to investors; and

21 (B) within 1 year of the date of enactment
22 of this Act, promulgate amendments to such
23 rules or regulations to provide that any require-
24 ment to deliver a regulatory document “in writ-
25 ing” may be satisfied by electronic delivery.

13 (g) DEFINITIONS.—In this section:

14 (1) COMMISSION.—The term “Commission”
15 means the Securities and Exchange Commission.

18 (A) an investment company (as defined in
19 section 3(a)(1) of the Investment Company Act
20 of 1940 (15 U.S.C. 80a-3(a)(1))) that is reg-
21 istered under such Act;

22 (B) a business development company (as
23 defined in section 2(a) of the Investment Com-
24 pany Act of 1940 (15 U.S.C. 80a-2(a))) that

1 has elected to be regulated as such under such
2 Act;

3 (C) a registered broker or dealer (as such
4 terms are defined, respectively, in paragraphs
5 (4) and (5) of section 3(a) of the Securities Ex-
6 change Act of 1934 (15 U.S.C. 78c(a)));

7 (D) a registered municipal securities dealer
8 (as defined in section 3(a)(30) of the Securities
9 Exchange Act of 1934 (15 U.S.C. 78c(a)(30)));

10 (E) a registered government securities
11 broker or government securities dealer (as such
12 terms are defined, respectively, in paragraphs
13 (43) and (44) of section 3(a) of the Securities
14 Exchange Act of 1934 (15 U.S.C. 78c(a)));

15 (F) a registered investment adviser (as de-
16 fined in section 202(a)(11) of the Investment
17 Advisers Act of 1940 (15 U.S.C. 80b-
18 1(a)(11)));

19 (G) a registered transfer agent (as defined
20 in section 3(a)(25) of the Securities Exchange
21 Act of 1934 (15 U.S.C. 78c(a)(25))); or

22 (H) a registered funding portal (as defined
23 in the second paragraph (80) of section 3(a) of
24 the Securities Exchange Act of 1934 (15
25 U.S.C. 78c(a))).

4 (A) the direct delivery of such regulatory
5 document to an electronic address of an inves-
6 tor;

12 (C) any other electronic method reasonably
13 designed to ensure receipt of such regulatory
14 document by the investor.

15 (4) REGULATORY DOCUMENTS.—The term
16 “regulatory documents” includes—

20 (B) summary prospectuses meeting the re-
21 quirements of—

22 (i) section 230.498 of title 17, Code of
23 Federal Regulations; or
24 (ii) section 230.498A of title 17, Code
25 of Federal Regulations;

1 (C) statements of additional information,
2 as described under section 270.30e-3(h)(2) of
3 title 17, Code of Federal Regulations;

4 (D) annual and semi-annual reports to in-
5 vestors meeting the requirements of section
6 30(e) of the Investment Company Act of 1940
7 (15 U.S.C. 80a-29(e));

8 (E) notices meeting the requirements
9 under section 270.19a-1 of title 17, Code of
10 Federal Regulations;

11 (F) confirmations and account statements
12 meeting the requirements under section
13 240.10b of title 17, Code of Federal Regula-
14 tions;

15 (G) proxy statements meeting the require-
16 ments under section 240.14a-3 of title 17,
17 Code of Federal Regulations:

18 (H) privacy notices meeting the require-
19 ments of Regulation S-P under subpart A of
20 part 248 of title 17, Code of Federal Regula-
21 tions;

22 (I) affiliate marketing notices meeting the
23 requirements of Regulation S-AM under sub-
24 part B of part 248 of title 17, Code of Federal
25 Regulations; and

1 (J) all other regulatory documents re-
2 quired to be delivered by covered entities to in-
3 vestors under the securities laws and the rules
4 and regulations of the Commission and the self-
5 regulatory organizations.

10 (6) SELF-REGULATORY ORGANIZATION.—The
11 term “self-regulatory organization” means—

16 (B) the Municipal Securities Rulemaking
17 Board.

22 SEC. 206. INCREASING INVESTOR OPPORTUNITIES.

23 (a) IN GENERAL.—Section 5 of the Investment Com-
24 pany Act of 1940 (15 U.S.C. 80a-5) is amended by add-
25 ing at the end the following:

1 “(d) CLOSED-END COMPANY AUTHORITY TO INVEST
2 IN PRIVATE FUNDS.—

3 “(1) IN GENERAL.—Except as otherwise pro-
4 hibited or restricted by this Act (or any rule issued
5 under this Act), the Commission may not prohibit or
6 otherwise limit a closed-end company from investing
7 any or all of the assets of the closed-end company
8 in securities issued by private funds.

9 “(2) OTHER RESTRICTIONS ON COMMISSION AU-
10 THORITY.—Except as otherwise prohibited or re-
11 stricted by this Act (or any rule issued under this
12 Act), the Commission may not impose any condition
13 on, restrict, or otherwise limit—

14 “(A) the offer to sell, or the sale of, securi-
15 ties issued by a closed-end company that in-
16 vests, or proposes to invest, in securities issued
17 by private funds; or

18 “(B) the listing of the securities of a
19 closed-end company described in subparagraph
20 (A) on a national securities exchange.

21 “(3) UNRELATED RESTRICTIONS.—The Com-
22 mission may impose a condition on, restrict, or oth-
23 erwise limit an activity described in paragraph (1) or
24 subparagraph (A) or (B) of paragraph (2) if that
25 condition, restriction, or limitation is unrelated to

1 the underlying characteristics of a private fund or
2 the status of a private fund as a private fund.

3 “(4) RULE OF APPLICATION.—Notwithstanding
4 section 6(f), this subsection shall also apply to a
5 closed-end company that elects to be treated as a
6 business development company pursuant to section
7 54.”.

8 (b) DEFINITION OF PRIVATE FUND.—Section 2(a) of
9 the Investment Company Act of 1940 (15 U.S.C. 80a–
10 2(a)) is amended by adding at the end the following:

11 “(55) The term ‘private fund’ has the meaning
12 given in section 202(a) of the Investment Advisers
13 Act of 1940 (15 U.S.C. 80b–2(a)).”.

14 (c) TREATMENT BY NATIONAL SECURITIES EX-
15 CHANGES.—Section 6 of the Securities Exchange Act of
16 1934 (15 U.S.C. 78f) is amended by adding at the end
17 the following:

18 “(m)(1) Except as otherwise prohibited or restricted
19 by rules of the exchange that are consistent with section
20 5(d) of the Investment Company Act of 1940 (15 U.S.C.
21 80a–5(d)), an exchange may not prohibit, condition, re-
22 strict, or impose any other limitation on the listing or
23 trading of the securities of a closed-end company when
24 the closed-end company invests, or may invest, some or

1 all of the assets of the closed-end company in securities
2 issued by private funds.

3 “(2) In this subsection—

4 “(A) the term ‘closed-end company’—

5 “(i) has the meaning given the term in sec-
6 tion 5(a) of the Investment Company Act of
7 1940 (15 U.S.C. 80a-5(a)); and

8 “(ii) includes a closed-end company that
9 elects to be treated as a business development
10 company pursuant to section 54 of the Invest-
11 ment Company Act of 1940 (15 U.S.C. 80a-
12 53); and

13 “(B) the term ‘private fund’ has the meaning
14 given in section 202(a) of the Investment Advisers
15 Act of 1940 (15 U.S.C. 80b-2(a)).”.

16 (d) INVESTMENT LIMITATION.—Section 3(c) of the
17 Investment Company Act of 1940 (15 U.S.C. 80a-3(c))
18 is amended—

19 (1) in paragraph (1), in the matter preceding
20 subparagraph (A), in the second sentence, by strik-
21 ing “subparagraphs (A)(i) and (B)(i)” and inserting
22 “subparagraphs (A)(i), (B)(i), and (C)”;
23 (2) in paragraph (7)(D), by striking “subpara-
24 graphs (A)(i) and (B)(i)” and inserting “subpara-
25 graphs (A)(i), (B)(i), and (C)”.

1 (e) RULES OF CONSTRUCTION.—

2 (1) Nothing in this section or the amendments
3 made by this section may be construed to limit or
4 amend any fiduciary duty owed to a closed-end com-
5 pany (as defined in section 5(a)(2) of the Investment
6 Company Act of 1940 (15 U.S.C. 80a-5(a)(2))) or
7 by an investment adviser (as defined under section
8 2(a) of the Investment Company Act of 1940 (15
9 U.S.C. 80a-2(a))) to a closed-end company.

10 (2) Nothing in this section or the amendments
11 made by this section may be construed to limit or
12 amend the valuation, liquidity, or redemption re-
13 quirements or obligations of a closed-end company
14 (as defined in section 5(a)(2) of the Investment
15 Company Act of 1940 (15 U.S.C. 80a-5(a)(2))) as
16 required by the Investment Company Act of 1940.

17 **TITLE III—STRENGTHENING
18 PUBLIC MARKETS**

19 **SEC. 301. ENCOURAGING LOCAL EMERGING VENTURES
20 AND ECONOMIC GROWTH.**

21 Section 12(b) of the Securities Exchange Act of 1934
22 (15 U.S.C. 78l(b)) is amended—

23 (1) in paragraph (1)(K), by striking “years,”
24 and inserting “years (or, in the case of an emerging

1 growth company, not more than the two preceding
2 years);”;

3 (2) by adding at the end the following:

4 “Any issuer may confidentially submit to the Commission
5 a draft registration statement for confidential nonpublic
6 review by the staff of the Commission prior to public fil-
7 ing, provided that the initial confidential submission and
8 all amendments thereto shall be publicly filed with the
9 Commission not later than 10 days before listing on a na-
10 tional securities exchange. Notwithstanding any other pro-
11 vision of this title, the Commission shall not be compelled
12 to disclose any information provided to or obtained by the
13 Commission pursuant to this subsection. For purposes of
14 section 552 of title 5, this subsection shall be considered
15 a statute described in subsection (b)(3)(B) of such section
16 552. Information described in or obtained pursuant to this
17 subsection shall be deemed to constitute confidential infor-
18 mation for purposes of section 24.”.

19 **SEC. 302. ACCESS TO SMALL BUSINESS INVESTOR CAPITAL.**

20 (a) DEFINITIONS.—For purposes of this section:

21 (1) ACQUIRED FUND.—The term “Acquired
22 Fund” has the meaning given the term in Forms N–
23 1A, N–2, and N–3.

24 (2) ACQUIRED FUND FEES AND EXPENSES.—

25 The term “Acquired Fund Fees and Expenses”

1 means the Acquired Fund Fees and Expenses sub-
2 caption in the Fee Table Disclosure.

3 (3) BUSINESS DEVELOPMENT COMPANY.—The
4 term “business development company” has the
5 meaning given the term in section 2(a) of the Invest-
6 ment Company Act of 1940 (15 U.S.C. 80a-2(a)).

7 (4) FEE TABLE DISCLOSURE.—The term “Fee
8 Table Disclosure” means the fee table described in
9 Item 3 of Form N-1A, Item 3 of Form N-2, or
10 Item 4 of Form N-3 (as applicable, and with respect
11 to each, in any successor fee table disclosure that
12 the Securities and Exchange Commission adopts).

13 (5) FORM N-1A.—The term “Form N-1A”
14 means the form described in section 274.11A of title
15 17, Code of Federal Regulations, or any successor
16 regulation.

17 (6) FORM N-2.—The term “Form N-2” means
18 the form described in section 274.11a-1 of title 17,
19 Code of Federal Regulations, or any successor regu-
20 lation.

21 (7) FORM N-3.—The term “Form N-3” means
22 the form described in section 274.11b of title 17,
23 Code of Federal Regulations, or any successor regu-
24 lation.

7 (b) EXCLUDING BUSINESS DEVELOPMENT COMPANIES FROM ACQUIRED FUND FEES AND EXPENSES.—A
8 registered investment company may, on any investment
9 company registration statement filed pursuant to section
10 8(b) of the Investment Company Act of 1940 (15 U.S.C.
11 80a-8(b)), omit from the calculation of Acquired Fund
12 Fees and Expenses those fees and expenses that the in-
13 vestment company incurred indirectly as a result of invest-
14 ment in shares of one or more Acquired Funds that is
15 a business development company.

17 SEC. 303. ENCOURAGING PUBLIC OFFERINGS.

18 (a) EXPANDING TESTING THE WATERS.—Section
19 5(d) of the Securities Act of 1933 (15 U.S.C. 77e(d)) is
20 amended—

21 (1) by striking “Notwithstanding” and insert-
22 ing the following:

23 “(1) IN GENERAL.—Notwithstanding”:

24 (2) by striking "an emerging growth company"
25 or any person authorized to act on behalf of an

1 emerging growth company” and inserting “an issuer
2 or any person authorized to act on behalf of an
3 issuer”; and

4 (3) by adding at the end the following:

5 **“(2) ADDITIONAL REQUIREMENTS.—**

6 **“(A) IN GENERAL.—**The Commission may
7 promulgate regulations, subject to public notice
8 and comment, to impose such other terms, con-
9 ditions, or requirements on the engaging in oral
10 or written communications described under
11 paragraph (1) by an issuer other than an
12 emerging growth company as the Commission
13 determines appropriate.

14 **“(B) REPORT TO CONGRESS.—**Prior to any
15 rulemaking described under subparagraph (A),
16 the Commission shall submit to Congress a re-
17 port containing a list of the findings supporting
18 the basis of the rulemaking.”.

19 (b) **CONFIDENTIAL REVIEW OF DRAFT REGIS-
20 TATION STATEMENTS.—**Section 6(e) of the Securities Act of
21 1933 (15 U.S.C. 77f(e)) is amended—

22 (1) in the heading, by striking “EMERGING
23 GROWTH COMPANIES” and inserting “CONFIDEN-
24 TIAL REVIEW OF DRAFT REGISTRATION STATE-
25 MENTS”;

1 (2) by redesignating paragraph (2) as para-
2 graph (3); and

3 (3) by striking paragraph (1) and inserting the
4 following:

5 “(1) IN GENERAL.—Any issuer may, with re-
6 spect to an initial public offering, initial registration
7 of a security of the issuer under section 12(b) of the
8 Securities Exchange Act of 1934 (15 U.S.C. 78l(b)),
9 or follow-on offering, confidentially submit to the
10 Commission a draft registration statement, for con-
11 fidential nonpublic review by the staff of the Com-
12 mission prior to public filing, provided that the ini-
13 tial confidential submission and all amendments
14 thereto shall be publicly filed with the Commission
15 not later than—

16 “(A) in the case of an initial public offer-
17 ing, 10 days before the effective date of such
18 registration statement;

19 “(B) in the case of an initial registration
20 of a security of the issuer under such section
21 12(b), 10 days before listing on an exchange; or

22 “(C) in the case of any offering after an
23 initial public offering or an initial registration
24 under such section 12(b), 48 hours before the
25 effective date of such registration statement.

1 “(2) ADDITIONAL REQUIREMENTS.—

2 “(A) IN GENERAL.—The Commission may
3 promulgate regulations, subject to public notice
4 and comment, to impose such other terms, con-
5 ditions, or requirements on the submission of
6 draft registration statements described under
7 this subsection by an issuer other than an
8 emerging growth company as the Commission
9 determines appropriate.

10 “(B) REPORT TO CONGRESS.—Prior to any
11 rulemaking described under subparagraph (A),
12 the Commission shall submit to Congress a re-
13 port containing a list of the findings supporting
14 the basis of the rulemaking.”.

15 **SEC. 304. GREENLIGHTING GROWTH.**

16 (a) SECURITIES ACT OF 1933.—Section 7(a)(2) of
17 the Securities Act of 1933 (15 U.S.C. 77g(a)(2)) is
18 amended—

19 (1) in subparagraph (A), by striking “and” at
20 the end;

21 (2) by redesignating subparagraph (B) as sub-
22 paragraph (C); and

23 (3) by inserting after subparagraph (A) the fol-
24 lowing:

1 “(B) need not present acquired company
2 financial statements or information otherwise
3 required under section 210.3–05 or section
4 210.8–04 of title 17, Code of Federal Regula-
5 tions, or any successor thereto, for any period
6 prior to the earliest audited period of the
7 emerging growth company presented in connec-
8 tion with its initial public offering and, there-
9 after, in no event shall an issuer that was an
10 emerging growth company but is no longer an
11 emerging growth company be required to
12 present financial statements of the issuer (or
13 acquired company financial statements or infor-
14 mation otherwise required under section 210.3–
15 05 or section 210.8–04 of title 17, Code of Fed-
16 eral Regulations, or any successor thereto) for
17 any period prior to the earliest audited period
18 of the emerging growth company presented in
19 connection with its initial public offering; and”.

20 (b) SECURITIES EXCHANGE ACT OF 1934.—Section
21 12(b)(1)(K) of the Securities Exchange Act of 1934 (15
22 U.S.C. 78l(b)(1)(K)) is amended by striking “firm” and
23 inserting “firm, provided that the application of an emerg-
24 ing growth company need not present acquired company
25 financial statements or information otherwise required

1 under section 210.3–05 or section 210.8–04 of title 17,
2 Code of Federal Regulations, or any successor thereto, for
3 any period prior to the earliest audited period of the
4 emerging growth company presented in connection with its
5 application and, thereafter, in no event shall an issuer that
6 was an emerging growth company but is no longer an
7 emerging growth company be required to present financial
8 statements of the issuer (or acquired company financial
9 statements or information otherwise required under sec-
10 tion 210.3–05 or section 210.8–04 of title 17, Code of
11 Federal Regulations, or any successor thereto) for any pe-
12 riod prior to the earliest audited period of the emerging
13 growth company presented in connection with any applica-
14 tion under this subsection”.

15 SEC. 305. MIDDLE MARKET IPO COST.

16 (a) STUDY.—The Comptroller General of the United
17 States, in consultation with the Securities and Exchange
18 Commission and the Financial Industry Regulatory Au-
19 thority, shall carry out a study of the costs associated with
20 small- and medium-sized companies to undertake initial
21 public offerings (“IPOs”). In carrying out such study, the
22 Comptroller General shall—
23 (1) consider the direct and indirect costs of an
24 IPO, including—

1 (A) fees of accountants, underwriters, and
2 any other outside advisors with respect to the
3 IPO;

4 (B) compliance with Federal and State se-
5 curities laws at the time of the IPO; and

6 (C) such other IPO-related costs as the
7 Comptroller General may consider;

11 (3) consider the impact of such costs on capital
12 formation;

13 (4) analyze the impact of these costs on the
14 availability of public securities of small- and me-
15 dium-sized companies to retail investors; and

16 (5) analyze trends in IPOs over a time period
17 the Comptroller General determines is appropriate to
18 analyze IPO pricing practices, considering—

19 (A) the number of IPOs:

20 (B) how costs for IPOs have evolved over
21 time for underwriters, investment advisory
22 firms, and other professions for services in con-
23 nection with an IPO;

24 (C) the number of brokers and dealers ac-
25 tive in underwriting IPOs;

(D) the different types of services that underwriters and related persons provide before and after a small- or medium-sized company IPO and the factors impacting IPO costs

5 (E) changes in the costs and availability of
6 investment research for small- and medium-
7 sized companies; and

8 (F) the impacts of litigation and its costs
9 on being a public company.

10 (b) REPORT.—Not later than the end of the 360-day
11 period beginning on the date of the enactment of this Act,
12 the Comptroller General of the United States shall issue
13 a report to the Congress containing all findings and deter-
14 minations made in carrying out the study required under
15 subsection (a) and any administrative or legislative rec-
16 ommendations the Comptroller General may have.

17 SEC. 306. EXPANDING Wksi ELIGIBILITY.

18 (a) IN GENERAL.—For purposes of the Federal secu-
19 rities laws, and regulations issued thereunder, an issuer
20 shall be a “well-known seasoned issuer” if—

9 (b) REPORT ON WITHDRAWN APPLICATIONS RE-
10 LATED TO WELL-KNOWN SEASONED ISSUER STATUS.—
11 The Securities and Exchange Commission shall, not later
12 than 90 days after the end of each calendar year, publish
13 the total number of applications submitted during such
14 calendar year where the applicant—

15 (1) submitted the application under section
16 230.405 of title 17, Code of Federal Regulations, for
17 a determination by the Commission that the appli-
18 cant not be considered an ineligible issuer under
19 such section;

20 (2) requested such determination in order to
21 meet the definition of a well-known seasoned issuer
22 under such section; and

23 (3) withdrew the application.

1 SEC. 307. ENHANCING MULTI-CLASS SHARE DISCLOSURES.

2 Section 14 of the Securities Exchange Act of 1934
3 (15 U.S.C. 78n) is amended by adding at the end the fol-
4 lowing:

5 **“(l) DISCLOSURE RELATING TO MULTI-CLASS SHARE
6 STRUCTURES.—**

7 **“(1) DISCLOSURE.—**The Commission shall, by
8 rule, require each issuer with a multi-class share
9 structure to disclose the information described in
10 paragraph (2) in any proxy or consent solicitation
11 material for an annual meeting of the shareholders
12 of the issuer, or any other filing as the Commission
13 determines appropriate.

14 **“(2) CONTENT OF DISCLOSURE.—**A disclosure
15 made under paragraph (1) shall include, with re-
16 spect to each person who is a director, director
17 nominee, or named executive officer of the issuer, or
18 who is the beneficial owner of securities with 5 per-
19 cent or more of the total combined voting power of
20 all classes of securities entitled to vote in the elec-
21 tion of directors—

22 **“(A) the number of shares of all classes of**
23 **securities entitled to vote in the election of di-**
24 **rectors beneficially owned by such person, ex-**
25 **pressed as a percentage of the total number of**

1 the outstanding securities of the issuer entitled
2 to vote in the election of directors; and

3 “(B) the amount of voting power held by
4 such person, expressed as a percentage of the
5 total combined voting power of all classes of the
6 securities of the issuer entitled to vote in the
7 election of directors.

8 “(3) MULTI-CLASS SHARE STRUCTURE.—In this
9 subsection, the term ‘multi-class share structure’
10 means a capitalization structure that contains 2 or
11 more types of securities that have differing amounts
12 of voting rights in the election of directors.”.

