

AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3382
OFFERED BY MRS. WAGNER OF MISSOURI

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Small Entity Update
3 Act”.

4 SEC. 2. STUDIES, REPORTS, AND RULES REGARDING SMALL
5 ENTITIES.

6 (a) DEFINITIONS.—In this section—

7 (1) the term “Commission” means the Securi-
8 ties and Exchange Commission; and

9 (2) the term “small entity”—

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

13 (B) includes any definition established by
14 the Commission of the term “small business”,
15 “small organization”, “small governmental ju-
16 risdiction”, or “small entity” under paragraph
17 (3), (4), (5), or (6), respectively, of section 601

1 of title 5, United States Code, with respect to
2 the activities of the Commission.

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

6 (1) conduct a study of the definition of the
7 term “small entity” with respect to the activities of
8 the Commission for the purposes of chapter 6 of
9 title 5, United States Code, which shall consider—

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

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

20 (C) how the Commission should define the
21 term “small entity” to ensure that a meaningful
22 number of entities would fall under that defini-
23 tion; and

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

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

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

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

9 (ii) expand the number of entities cov-
10 ered by such definition.

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

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

