AN ACT

To amend the securities laws to establish certain thresholds for shareholder registration, and for other purposes.

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

SECTION 1. SHAREHOLDER REGISTRATION THRESHOLD.

(a) Amendments to Section 12 of the Securi-
ties Exchange Act of 1934.—Section 12(g) of the Sec-
urities Exchange Act of 1934 (15 U.S.C. 78l (g)) is
amended—

(1) in paragraph (1)—

(A) by striking “$1,000,000” both places

it appears and inserting “$10,000,000”;
(B) in subparagraph (A), by striking ‘‘; and’’ and inserting a semicolon;

(C) in subparagraph (B), by striking the comma at the end and inserting ‘‘; and’’; and

(D) by inserting after subparagraph (B) the following:

“(C) in the case of an issuer that is a bank, as such term is defined in section 3(a)(6) of this title, or a bank holding company, as such term is defined in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841), not later than 120 days after the last day of its first fiscal year ended after the effective date of this subsection, on which the issuer has total assets exceeding $10,000,000 and a class of equity security (other than an exempted security) held of record by 2,000 or more persons,”; and

(2) in paragraph (4), by striking “three hundred” and inserting “300 persons, or, in the case of a bank, as such term is defined in section 3(a)(6), or a bank holding company, as such term is defined in section (2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841), 1,200”.

(b) Amendments to Section 15 of the Securities Exchange Act of 1934.—Section 15(d) of the Se-
Securities Exchange Act of 1934 (15 U.S.C. 78o(d)) is amended, in the third sentence, by striking “three hundred” and inserting “300 persons, or, in the case of bank, as such term is defined in section 3(a)(6), or a bank holding company, as such term is defined in section (2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841), 1,200”.

SEC. 2. STUDY AND REPORT ON REGISTRATION THRESHOLDS.

(a) Study.—

(1) Analysis required.—The Chief Economist and Director of the Division of Corporation Finance of the Commission shall jointly conduct a study, including a cost-benefit analysis, of shareholder registration thresholds.

(2) Costs and benefits.—The cost-benefit analysis under paragraph (1) shall take into account—

(A) the incremental costs and benefits to investors of the increased disclosure that results from registration;

(B) the incremental costs and benefits to issuers associated with registration and reporting requirements; and
(C) the incremental administrative costs to
the Commission associated with different
thresholds.

(3) **Thresholds.**—The cost-benefit analysis
under paragraph (1) shall evaluate whether it is ad-
visable to—

(A) increase the asset threshold;

(B) index the asset threshold to a measure
of inflation;

(C) increase the shareholder threshold;

(D) change the shareholder threshold to be
based on the number of beneficial owners; and

(E) create new thresholds based on other
criteria.

(b) **Report.**—Not later than 2 years after the date
of enactment of this Act, the Chief Economist and the Di-
rector of the Division of Corporation Finance of the Com-
mission shall jointly submit to the Committee on Banking,
Housing, and Urban Affairs of the Senate and the Com-
mittee on Financial Services of the House of Represen-
tatives a report that includes—

(1) the findings of the study required under
subsection (a); and

(2) recommendations for statutory changes to
improve the shareholder registration thresholds.
SEC. 3. RULEMAKING.

Not later than 1 year after the date of enactment of this Act, the Commission shall issue final regulations to implement this Act and the amendments made by this Act.

Passed the House of Representatives November 2, 2011.

Attest: KAREN L. HAAS,

Clerk.
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Read the second time and placed on the calendar

November 7, 2011

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