

blocked by President Obama and Senate Democrats. This failure of leadership is irresponsible, and it needs to stop.

#### THE U.S. NAVY IS DEVELOPING CLEAN, GREEN ENERGY

(Mr. INSLEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. INSLEE. Madam Speaker, I rise today to honor the United States Navy, who, under the leadership of Secretary Ray Mabus, is doing a fantastic job developing clean, green sources of energy for the United States Navy and, eventually, the world. The Navy is already flying the Blue Angels on biofuels, it is charging our communication equipment in Afghanistan with solar energy, and it is on a path to half of its energy coming from clean sources by 2020 and the Great Green Fleet by 2016.

In my State, we're building whole industries around this: Imperium Renewables, Targeted Growth, General Biofuels, Boeing, and Alaska Airlines.

We can power the future with clean energy. The Navy is leading the way. Washington State University is doing great work, and I know there's one great former Washington State student who's helping on this effort, and her name is Trudi.

#### RECOGNIZING THE LIFE AND CONTRIBUTIONS OF REPRESENTATIVE DONALD M. PAYNE

(Mrs. CAPPS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CAPPS. Mr. Speaker, I rise today in recognition of the life and contributions of our colleague and friend, Donald Payne.

Don will always be remembered for his commitment to his community, which he served with distinction as a local elected official; to his country, evident by 23 years of service in Congress in which he championed education and fair labor practices; and to the global community, where he was a champion for global health, especially malaria prevention and treatment.

Don was a joy to travel with. He combined gentleness with strength, stood with and for the underserved and underrepresented, and always spoke of his commitment. But as he did, he had this warmhearted smile, even his eyes smiled, as he gave voice to the voiceless.

Our thoughts and prayers are with Don Payne's family, with his staff and the people of the Tenth District of New Jersey, and for all of us as we keep his legacy alive.

Don, you will be missed.

#### JUMPSTART OUR BUSINESS STARTUPS ACT

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent that all Mem-

bers may have 5 legislative days within which to revise and extend their remarks on H.R. 3606 and insert extraneous material thereon.

The SPEAKER pro tempore (Mr. JOHNSON of Ohio). Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. Pursuant to House Resolution 572 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the further consideration of the bill, H.R. 3606.

□ 1018

#### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H.R. 3606) to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies, with Mrs. MILLER of Michigan (Acting Chair) in the chair.

The Clerk read the title of the bill.

The Acting CHAIR. When the Committee of the Whole rose on Wednesday, March 7, 2012, amendment No. 10 printed in House Report 112-409 offered by the gentleman from California (Mr. MCCARTHY) had been disposed of.

#### AMENDMENT NO. 11 OFFERED BY MR. MCHENRY

The Acting CHAIR. It is now in order to consider amendment No. 11 printed in House Report 112-409.

Mr. MCHENRY. I have an amendment printed in the rule.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 19, after line 23, insert the following:

(c) EXPLANATION OF EXEMPTION.—Section 4 of the Securities Act of 1933 (15 U.S.C. 77d) is amended—

(1) by striking “The provisions of section 5” and inserting “(a) The provisions of section 5”; and

(2) by adding at the end the following:

“(b)(1) With respect to securities offered and sold in compliance with Rule 506 of Regulation D under this Act, no person who meets the conditions set forth in paragraph (2) shall be subject to registration as a broker or dealer pursuant to section 15(a)(1) of this title, solely because—

“(A) that person maintains a platform or mechanism that permits the offer, sale, purchase, or negotiation of or with respect to securities, or permits general solicitations, general advertisements, or similar or related activities by issuers of such securities, whether online, in person, or through any other means;

“(B) that person or any person associated with that person co-invests in such securities; or

“(C) that person or any person associated with that person provides ancillary services with respect to such securities.

“(2) The exemption provided in paragraph (1) shall apply to any person described in such paragraph if—

“(A) such person and each person associated with that person receives no compensation in connection with the purchase or sale of such security;

“(B) such person and each person associated with that person does not have posses-

sion of customer funds or securities in connection with the purchase or sale of such security; and

“(C) such person is not subject to a statutory disqualification as defined in section 3(a)(39) of this title and does not have any person associated with that person subject to such a statutory disqualification.

“(3) For the purposes of this subsection, the term ‘ancillary services’ means—

“(A) the provision of due diligence services, in connection with the offer, sale, purchase, or negotiation of such security, so long as such services do not include, for separate compensation, investment advice or recommendations to issuers or investors; and

“(B) the provision of standardized documents to the issuers and investors, so long as such person or entity does not negotiate the terms of the issuance for and on behalf of third parties and issuers are not required to use the standardized documents as a condition of using the service.”.

The Acting CHAIR. Pursuant to House Resolution 572, the gentleman from North Carolina (Mr. MCHENRY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from North Carolina.

Mr. MCHENRY. Madam Chair, I yield myself such time as I may consume.

This amendment is very simple. We know, and policymakers in Washington here know, that entrepreneurship is at a 17-year low in the United States. We also know that small businesses are the drivers of our economy. So what this amendment does is it enables investors to connect with start-ups.

□ 1020

It takes away some red tape that is within securities regulations, and it allows incubators, forums, and online platforms which only connect accredited investors to start-ups to be exempt from SEC registration as a broker-dealer if they, number one, do not charge a commission or fee for their service; number two, do not handle the moneys of investors; and, number three, only permit accredited investors to use their platforms.

This is a very narrow amendment, very specifically crafted. In fact, the President's Council on Jobs and Competitiveness in October of last year said in their report that the emergence of angel investors and networks have also played a crucial role in initial funding of companies, and that the council recommends that clarifying that experience and active seed in angel investors and their meeting venues should not be subject to the regulations that were designed to protect inexperienced investors.

This amendment deals with that subject matter within the President's jobs council recommendations. I ask my colleagues to support this amendment. I reserve the balance of my time.

Mr. FRANK of Massachusetts. Madam Chairman, I rise to claim the time that would go to someone in opposition if there is anybody in opposition, which there does not appear to be.

The Acting CHAIR. Without objection, the gentleman is recognized for 5 minutes.

There was no objection.

Mr. FRANK of Massachusetts. Madam Chair, I support this amendment. I am pleased that we have been able to come together in a process that is providing some improvement. As I've said, I think there have been people in both the executive and legislative branches that have exaggerated the impact of these, but they are helpful.

I do want to make one point, though, that it is true that the President has been one of those who has been a proponent of this—it's been a very bipartisan and very cooperative process—and there is a Statement of Administration Policy in support of the bills.

I do want to make it clear because there will be some subsequent amendments that I think will be controversial. This one is not. The next two are actually not, I believe. But then there are one, two, three, four that may be. I want to make it very clear that the President's Statement of Administration Policy, which supports the bills—or the bill, with the package of bills within it—in general is in no way—and I speak for the administration on this, having talked to them—an expression of opposition to the later amendments, none of the later amendments—and Members will debate them one way or the other, although I deeply regret that the Rules Committee only gave us 5 minutes to debate controversial amendments on each side. I think that's a denigration of process.

I would note we're probably going to finish up before noon today, or maybe 12:30. The notion that we couldn't have taken 20 minutes or even a half hour to debate a couple of these significant issues seems to me to be very, very regrettable.

But I did want to make it clear that there are amendments that will be coming up that are not either supported or opposed by the administration; that is, they are not in opposition to the general approach. And since we only have 5 minutes, I will take a little of this time to note that, for example, there is one from Mr. CAPUANO, who is a very thoughtful student here, to make sure that when we talk about holders of record, that that's not a subterfuge, that the holders of record, we are talking about limiting the number, that you don't get a whole lot of people listed as one holder of record. I think that amendment by Mr. CAPUANO is wholly in the spirit of this bill.

Mr. PETERS' amendment, one of the things that we had talked about, the gentleman from Michigan (Mr. PETERS), is to talk about the job impact. These have been listed as a "jobs" bill. We have one of those foolish acronyms of which I'm not very fond. They call this the "JOBS"—whatever. Well, Mr. PETERS wants to know how many jobs are really going to be created. I think that's very helpful. Similarly, the gentlewoman from California (Mrs. CAPPS) wants to know about what the real impact is.

So I will reserve the balance of my time at this point, but I did want to

make clear that several of the subsequent amendments are not in any way derogatory to this bill. In fact, I say, look, if this bill does what it says, let's know about it.

I reserve the balance of my time. I believe I have the right to close.

The Acting CHAIR. The gentleman from Texas has the right to close because the gentleman is not a true opponent.

Mr. MCHENRY. Madam Chair, I am prepared to close.

Mr. FRANK of Massachusetts. Well, I will take the rest of our time to say this—and this is another relevant issue: this is a bill which does unusual things to reduce what the SEC will have to do in some of these areas, not primarily that save time for the SEC, but in fact to try to make it less burdensome for the companies that are involved.

But with that having been said, the reduction in SEC duties, which are really incidental to this bill, in no way removes the need for adequate funding for the SEC. One of the things that has been troubling to many of us is a tendency on the part of the majority to refuse the adequate funding to the SEC that it needs to carry out its new responsibilities. That's especially troubling because the SEC funds do not come from the taxpayers. The SEC is funded by a fee paid by those who participate in the securities business. In fact, as we are doing here, we are exempting the smaller people.

So when we have the largest financial institutions in this country paying a relatively small fee, in fact, an absolutely small fee, we can fund the SEC adequately. What we have seen is a disturbing refusal on the part of the majority in this House to give the SEC the funds it needs. We gave the SEC increased powers over investor protection with fiduciary responsibilities over shareholder rights. We gave them increased powers, particularly over derivatives, which had gone unregulated for so long. We have had some criticism of the SEC for not moving more promptly. We have had some criticisms of the SEC for not doing a better job of enforcement. None of those are helped by starving them of funds.

So when we have a situation where the majority does the financial community the favor of withholding funds that the administration has asked for for the SEC—and we've asked that it be funded at that adequate level—and by doing so not only damages the enforcement capabilities of the SEC, but gives an unjustified present to the largest financial institutions—investment houses and others—I think that a very grave error has been made.

So I welcome the fact that we are making some minor reductions in the SEC burdens here as an incidence of trying to help the companies, but that does not justify fairly and adequately to fund the SEC out of fees assessed on the companies.

Madam Chairman, I yield back the balance of my time.

The Acting CHAIR. The Chair would clarify that the gentleman from North Carolina, the proponent, is recognized to close.

Mr. MCHENRY. Thank you, Madam Chair.

I appreciate the more conciliatory tone in today's debate. It's fantastic, Madam Chair, to have the ranking member back in debating form today and permitted to debate on the House floor.

This amendment is about investors, incubators, and start-ups. We've got wide endorsements from 155 folks from across America—both investor level, we have incubators, we have online platforms and forums that have endorsed this, including the founder of AOL, Steve Case, the founder of Netscape, Marc Andreessen, who is also a renowned investor in Silicon Valley.

This is a great amendment that clarifies something that's very important for us to update in securities laws. I certainly appreciate the support across the aisle for this important issue as well. I'm glad it can be passed with bipartisan support.

With that, I ask my colleagues to vote "yes."

I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentleman from North Carolina (Mr. MCHENRY).

The amendment was agreed to.

AMENDMENT NO. 12 OFFERED BY MR. MILLER OF NORTH CAROLINA

The Acting CHAIR. It is now in order to consider amendment No. 12 printed in House Report 112-409.

Mr. MILLER of North Carolina. Madam Chair, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 36, line 25, strike "by 1,000 persons, and" and insert "by either—

"(i) 2,000 persons, or

"(ii) 500 persons who are not accredited investors (as such term is defined by the Commission), and".

The Acting CHAIR. Pursuant to House Resolution 572, the gentleman from North Carolina (Mr. MILLER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from North Carolina.

Mr. MILLER of North Carolina. Madam Chair, I hate to be the only one at the campfire not singing "Kumbaya," but I do part company with my President and with the ranking Democrat on the Financial Services Committee in their support for this bill.

I do fear that if we cut back on the transparency and we cut back on the investor protections, it really is only going to take one or two well-publicized cases of investors losing their shirts, losing their retirement savings because they got defaulted for small business capital to dry up, to get harder to come by instead of easier to come by.

But I do agree that governments should not go to great lengths to protect people who really can fend for themselves, who are more sophisticated, and who really knowingly decide that they do not want protections.

□ 1030

This amendment increases the exception from SEC registration to 2,000 investors, provided that no more than 500 are not accredited investors. I think the importance of accredited investors, or their sophistication, may well be overstated. But they are, in fact, people who have well more than the net worth of most Americans. They have a net worth of \$1 million, without consideration of equity in their home, which used to be more than it is now; or have an income of \$200,000, annual income of \$200,000 for an individual or \$300,000 for a couple.

More important, they actually have to fill out a form to ask to be an accredited investor. They have to opt in. They have to decide that they do want to be outside of some of the protections of the SEC. So this will limit some of the effect of the bill to investors who are somewhat more able to fend for themselves, are somewhat more sophisticated, and are more able to take a loss in investing in a small business that may be a greater risk of an investment, an investment which may be more of a risk but may also promise more reward.

I yield back the balance of my time.

Mr. SCHWEIKERT. Madam Chairman, I rise to claim the time in opposition, though I do not oppose the underlying amendment.

The Acting CHAIR. Without objection, the gentleman from Arizona is recognized for 5 minutes.

There was no objection.

Mr. SCHWEIKERT. Madam Chair, this is one of those occasions where Mr. MILLER and his staff—I extend an appreciation. We've gone back and forth in discussion over the last year, you know, what should the number be. We all came to a collective agreement that 500 was far too small for capital formation. Was 2,000 appropriate? Well, should be it 2,000 accredited? Well, what should be the unaccredited portion for that?

I think this is what we'll call an appropriate compromise, and I thank Mr. MILLER for bringing this to us and helping us get there. What this ultimately does is allow an organization to have investors, up to 2,000. Five hundred of those can be unaccredited. The other 1,500 have to fill out the form; have to have net assets over \$1 million, exclusive of their home; a couple hundred thousand dollars a year income, \$300,000 if they're a married couple.

So at that point, we've made the decision that this somewhat more sophisticated population gets to participate, but they have to opt in. And yet, we still do not lock out those who are, shall we say, working their way to becoming that next sophisticated population.

So, Madam Chairwoman, we support this amendment.

I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentleman from North Carolina (Mr. MILLER).

The amendment was agreed to.

AMENDMENT NO. 13 OFFERED BY MR. SCHWEIKERT

The Acting CHAIR. It is now in order to consider amendment No. 13 printed in House Report 112-409.

Mr. SCHWEIKERT. Madam Chair, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 37, after line 22, insert the following:  
**SEC. 504. COMMISSION STUDY OF ENFORCEMENT AUTHORITY UNDER RULE 12G5-1.**

The Securities and Exchange Commission shall examine its authority to enforce Rule 12g5-1 to determine if new enforcement tools are needed to enforce the anti-evasion provision contained in subsection (b)(3) of the rule, and shall, not later than 120 days after the date of enactment of this Act transmit its recommendations to Congress.

The table of contents in section 2 of the bill is amended by inserting after the item relating to section 503 the following new item:

Sec. 504. Commission study of enforcement authority under Rule 12g5-1

The Acting CHAIR. Pursuant to House Resolution 572, the gentleman from Arizona (Mr. SCHWEIKERT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Arizona.

Mr. SCHWEIKERT. Madam Chairman, we'll call this amendment a study amendment, but we've had repeated discussions on the difference between shareholders of record and beneficial interests. So think of this: we have just raised the number of shareholders that an organization can have. Okay.

Well, what if you're a broker-dealer? Do you count as one? Do you count as many? And does it actually make any difference in investor protection?

So, in this amendment, we basically say, All right, SEC, we believe you already have this authority. Please, for the first 120 days look into this, see if it causes any harm. If it doesn't, make that decision.

We felt this would be a rational way to approach the question because it was a repeated discussion within committee, and just simply say, All right, if it's a problem, SEC, you have the authority. If not, let's move forward.

But it's a good example of us not legislating something that, at this point, may be just folklore.

Madam Chairman, I reserve the balance of my time.

Mr. WELCH. Madam Chairman, I rise to claim the time in opposition, even though I'm not opposed, and I'd like to speak generally on H.R. 3606.

The Acting CHAIR. Without objection, the gentleman from Vermont is recognized for 5 minutes.

There was no objection.

Mr. WELCH. First of all, it's very refreshing that we have legislation that's focused on improving the business climate that we're doing together, and we've had some internal squabbles about whose name should go first. I'm not sure it amuses the American people. But the bottom line here that should encourage the American people is that we have bipartisan legislation that is going to do positive things for the business climate, certainly in Vermont and around the country.

I want to thank my colleagues, Mr. FINCHER, Mr. HIMES, Mr. CARNEY, and Mr. SCHWEIKERT, for working together so well to bring this legislation to the floor. And there are a number of good things here.

We don't have to exaggerate this as the answer to the real challenge we have in creating jobs. But you know what? Just selling this for what it is is a good thing, and it's a good thing because it does practical things to help us improve our business climate, particularly for small businesses, and for the rare time that we have this opportunity, we're doing it together.

But the legislation, overall, does a number of good things. The IPO on-ramp that is going to allow companies that need access to capital fewer barriers to get access to capital, particularly our small companies, where the cost of putting together an initial public offering is very significant, oftentimes prohibitive, that's a very good thing.

The Access to Capital for Job Creators Act that removes the regulatory ban that prevents small, privately held companies from using advertisements to solicit investors for private offerings, so they are allowed to let the word go out that they are open for business and they want investors, that's a good thing.

The Entrepreneur Access to Capital Act permits crowdfunding to finance new businesses by allowing companies to accept and pool donations up to \$1 million. Again, a very practical step to take. Good step to take.

The Small Companies Capital Formation Act that Mr. SCHWEIKERT, my colleague from Arizona, pioneered raises the offering threshold for companies exempted from registration with the U.S. Securities and Exchange Commission from \$5 million, the threshold, to \$50 million.

Mr. SCHWEIKERT, again, you've been busy. The Private Company Flexibility and Growth Act raises the threshold for mandatory SEC registration for companies from 500 to 1,000 shareholders. We've got a company in Newport, Vermont, that has been under a lot of regulatory pressure. They can't go over that 500 threshold. This is going to be very helpful, Madam Chairman, to that company to get access to capital, and it's going to make certain that the SEC regulations are still complied with.

Then the provision that raises the threshold for mandatory SEC registration for community banks from 500 to 1,000 shareholders, that's going to have a direct impact on a bank in Newport, Vermont.

So these are all practical steps. I don't think we need to oversell it. It's not the step that is going to get us down to an unemployment rate of 1 or 2 or 3 percent that all of us aspire to, and there's a tendency in this body sometimes to oversell what we're doing. But you know what? We shouldn't minimize what we're doing as well. And these, again, practical, sensible small business-oriented steps that are taken on a bipartisan basis. This is a good thing that we're doing.

I yield back the balance of my time.

Mr. SCHWEIKERT. Madam Chairwoman, I am prepared to close.

The Acting CHAIR. The gentleman is recognized.

Mr. SCHWEIKERT. May I request the time available?

The Acting CHAIR. The gentleman has 4 minutes remaining.

Mr. SCHWEIKERT. Well, hopefully, I won't take 4 minutes here.

Madam Chairman, this amendment is actually very, very simple. We're basically reaching out to the SEC saying, Look, come back, make your determination, and let us know within 120 days if you see this is an actual issue.

The language in here—"not later than 120 days after the enactment of this act transmit its recommendations to Congress"—this is actually, I believe, a good, workable, rational answer to much of the discussion that happened in the Financial Services Committee. It also has the SEC stand up and say yes, they have the authority, or no, they don't, and then transmit that back to us in the committee.

With that, Madam Chairman, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Arizona (Mr. SCHWEIKERT).

The amendment was agreed to.

AMENDMENT NO. 14 OFFERED BY MR. CAPUANO

The Acting CHAIR. It is now in order to consider amendment No. 14 printed in House Report 112-409.

Mr. CAPUANO. I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 37, after line 22, insert the following (and amend the table of contents accordingly):

#### SEC. 504. STUDY, REPORT, AND RULEMAKING.

(a) STUDY.—The Securities and Exchange Commission shall conduct a study regarding whether the term "held of record" (as defined pursuant to section 12(g)(5) of the Securities Exchange Act of 1934) should be changed—

(1) to mean the beneficial owner of the security; and

(2) to address anti-evasion concerns, such as those described under section 240.12g5-1(b)(3) of title 17, Code of Federal Regulations.

(b) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Commission shall submit a report to the Congress containing the conclusions of the study carried out under subsection (a).

(c) RULEMAKING.—If, based on the study conducted pursuant to subsection (a), the Commission concludes that a change to the definition of the term "held of record" is necessary and appropriate in the public interest and for the protection of investors, then, not later than 1 year after the date of the enactment of this Act, the Commission shall revise such definition.

The Acting CHAIR. Pursuant to House Resolution 572, the gentleman from Massachusetts (Mr. CAPUANO) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Massachusetts.

Mr. CAPUANO. Madam Chair, this amendment is actually just to piggyback on the previous one that we just adopted by voice vote. It's just a little bit more specific. And honestly, had I known the gentleman was going to offer the other amendment, I might have worked with him a little bit more to make it more specific.

In some levels it's redundant, but this particular one is more specific as to what the issue is. It's actually the specific issue that Mr. SCHWEIKERT pointed out, which is the definition of the beneficial owner.

□ 1040

Right now, when Facebook went public, they allowed one or two or three or a handful of investors to be counted as one. Broker-dealers can hold investments on behalf of thousands, an unlimited number of people. The concept of having 2,000 or 1,000, I respect the gentleman's comments previously that there is no magic number—2,000 sounds fine, 1,000 was fine. That's all well and good, and there is no magic answer to that number. I think the compromise that was reached was pretty reasonable.

At the same time, what it doesn't address, which is exactly what the gentleman said earlier, is that each one of these 2,000 people in theory and in reality often do hold the beneficial interest of tens of thousands of people. I'm not talking about mutual funds. But these are the people that have the authority to direct the broker-dealer to act on their behalf. All this says is it does very similar, but it directs the SEC to look at this specific issue, and to do it within 6 specific months and to come back not just with recommendations to Congress, but if they determine it's an appropriate issue, to actually act.

I don't think there is any disagreement that the SEC has the current authority under current law to do this action if they choose to do it. All this says is rather than simply coming back to Congress with a proposal that if they see the appropriate thing to do is act, that they should do it within 6 months. It is very similar. On many levels it overlaps. It's a technical dif-

ference, and a more specific amendment.

I reserve the balance of my time.

Mr. SCHWEIKERT. Madam Chairwoman, I claim the time in opposition.

The Acting CHAIR. The gentleman from Arizona is recognized for 5 minutes.

Mr. SCHWEIKERT. I appreciate our friend from Massachusetts. I do believe, though, that we are about to be somewhat duplicative to the amendment that we just did.

I accept that there is a little bit more here that is a bit more specific, but it is, I hate to say, not necessary. We just passed an amendment that I believe accomplishes where the gentleman from Massachusetts wishes to go, and therefore, I don't see this amendment as actually being necessary.

I reserve the balance of my time.

Mr. CAPUANO. Madam Chair, as the gentleman said in his debate on his bill, even that was unnecessary because the SEC has the authority to do this now. That was unnecessary, and I agree this in theory is unnecessary. The only difference is that this tells the SEC that if they determine that it is a problem, that they are required to act. That's the only major difference here, and they're required to act within any specific period of time.

The previous amendment, also unnecessary pursuant to current law, does direct the SEC look at an issue and make recommendations to Congress. That's all it says. You can actually argue that that might undermine the SEC's authority to take action. I don't think that it does, but you could make that argument if you so chose. This amendment, I agree, is overlapping; but it is not fully redundant, and it keeps the clarification that the SEC is empowered to act now to take action. That's the only major difference.

I reserve the balance of my time.

Mr. SCHWEIKERT. I yield myself the remainder of my time.

I appreciate the part of the argument here, but in the amendment we just passed, we basically, I believe, did what the Congress is supposed to do. We asked the SEC to come back to us within that 120 days, say all right, here's your authority. Do this, do that. Here's where we see a problem. Here's where we don't see a problem. Actually, I think that's actually where those questions come from.

Mr. CAPUANO. Will the gentleman yield for a question?

Mr. SCHWEIKERT. I do yield.

Mr. CAPUANO. Will the gentleman agree that the SEC is currently empowered to take these actions on their own without congressional approval?

Mr. SCHWEIKERT. Reclaiming my time, I actually do.

Mr. CAPUANO. If the gentleman agrees with that and the gentleman agrees that his amendment, his proposal, which I agree with that we just adopted, doesn't undermine that authority at all, would the gentleman agree with that?

Mr. SCHWEIKERT. Would the gentleman restate the question?

Mr. CAPUANO. I simply asked under the amendment that we just adopted, your previous amendment, do you think in any way that that undermines the current ability of the SEC to take action? I would think that it doesn't, but I'm just trying to build the record to be clear as to what it does.

Mr. SCHWEIKERT. Reclaiming my time, actually, where I think it's a really interesting part of the discussion is, all right, if I do believe the SEC actually has this authority, but at the same time, I also believe you and I and all of us in this body are responsible for the ultimate policy, that this policy should be coming back before us, particularly those in the Financial Services Committee, because we're going to also see it as it ties into this whole package of legislation, but also other moving parts out there.

Substantially, for that reason, I must tell you I preferred the amendment we just adopted over the one you've offered because it does say that provision, if it comes back before us, yes, the SEC may have this authority; but we're also going to be the ones also touching it and saying, yes, but it needs to be in context.

With that, I reserve the balance of my time.

Mr. CAPUANO. I don't disagree with anything that the gentleman just said. I happen to agree that Congress should exercise its responsibility every time, but I also understand and I also agree that we have empowered various agencies across the government to take action on their own. We agree that the SEC has current action; and I would argue very clearly that this amendment, this bill, doesn't change the SEC's authority. If they would come out with a ruling tomorrow that defined "beneficial owner" or "owner of record" in a different way—that they're fully authorized to do so—all this amendment does is suggest that they do, actually requires them to do so one way or the other.

Even if they disagree with me, this doesn't direct them to agree with me. This simply directs them to act if they determine that they should.

I would also argue very clearly that if that's the determination that they make, that they will act anyway, and that's the way it should be. That's all this amendment does is try to draw a big bold line under a potential massive loophole that could be utilized by not necessarily most people but by a few nefarious people who might intend to defraud people, and that's all this is intended to do—close one more door that can be used by people that should be used.

I yield back the balance of my time.

Mr. SCHWEIKERT. Madam Chairman, may I request the time remaining.

The Acting CHAIR. The gentleman from Arizona has 2½ minutes remaining.

Mr. SCHWEIKERT. Madam Chairman, I appreciate the discussion, and I know we may be bordering on that line of being esoteric. I actually believe that we took care of much of this concern in the previous amendment. If you are with us and agree, we're literally looking at two tracks here. The SEC does hold authority. At the same time, we also want this brought back to us if the SEC does see an issue. That's the proper venue. It is the proper venue that we passed in the previous amendment, therefore making this amendment somewhat duplicative.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CAPUANO).

The amendment was rejected.

AMENDMENT NO. 15 OFFERED BY MR. PETERS

The Acting CHAIR. It is now in order to consider amendment No. 15 printed in House Report 112-409.

Mr. PETERS. I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

At the end of the bill insert the following:

**TITLE VII—REQUIRED DISCLOSURE OF NUMBER OF DOMESTIC AND FOREIGN EMPLOYEES**

**SEC. 701. REQUIRED DISCLOSURE OF NUMBER OF DOMESTIC AND FOREIGN EMPLOYEES.**

Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m) is amended by adding at the end the following new subsection:

“(r) DISCLOSURE OF NUMBER OF DOMESTIC AND FOREIGN EMPLOYEES.—

“(1) IN GENERAL.—Beginning the first full fiscal year that begins after the date of enactment of this subsection, each issuer required to file reports with the Commission pursuant to subsection (a) shall disclose annually to the Commission and to shareholders—

“(A) the total number of employees of the issuer and each consolidated subsidiary of the issuer who are domiciled in the United States and listed by number in each State;

“(B) the total number of such employees physically working in and domiciled in any country other than the United States, listed by number in each country; and

“(C) the percentage increase or decrease in the numbers required under subparagraphs (A) and (B) from the previous reporting year.

“(2) EXEMPTIONS.—

“(A) NEWER PUBLIC COMPANIES.—An issuer shall not be subject to the requirement under paragraph (1) for the first 5 years after the issuer is first required to file reports with the Commission pursuant to subsection (a).

“(B) EMERGING GROWTH COMPANIES.—An issuer that is an emerging growth company shall not be subject to the requirement under paragraph (1).

“(3) REGULATIONS.—The Commission may promulgate such regulations as it considers necessary to implement the requirement set forth in paragraph (1).”.

Amend the table of contents in section 2 by adding at the end the following new items:

**TITLE VII—REQUIRED DISCLOSURE OF NUMBER OF DOMESTIC AND FOREIGN EMPLOYEES**

Sec. 701. Required disclosure of number of domestic and foreign employees

The Acting CHAIR. Pursuant to House Resolution 572, the gentleman from Michigan (Mr. PETERS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Michigan.

Mr. PETERS. I yield myself such time as I may consume.

Madam Chair, I'm the cosponsor of H.R. 3630 because I believe that this bipartisan legislation has the potential to create thousands of jobs in the coming years.

My amendment improves this bill by ensuring that those jobs stay here in the United States and in our local communities.

When I meet with constituents, one of their top concerns is the persistent outsourcing of American jobs. Between 2000 and 2009, multinational corporations cut 2.9 million U.S. jobs while adding 2.4 million jobs overseas.

□ 1050

Millions more jobs in diverse sectors, such as the life sciences, agriculture, and sales, could be moving abroad over the next few years. Annual job losses to offshoring have been estimated to be around 300,000. Those 300,000 job losses, of course, are significantly slowing net job creation at a time when we need it most in this country.

My amendment will simply require publicly held companies to disclose where their employees are located in their annual SEC filings. Are their employees here in the United States or are they overseas? While there is consistent concern in this Chamber regarding new regulations on businesses, I think we can all agree that employers know where they are sending their paychecks every month, and this bill specifically exempts newly appointed companies for 5 years.

With unemployment above 8 percent and persistently high unemployment rates possible in the coming years, policymakers at every level of government must look at all credible options for creating jobs. Analyzing the effectiveness of past and future job policies is difficult without knowing whether corporations benefiting from tax incentives or other policies are creating the jobs here in America or abroad. Additionally, responsible investors have a right to know how publicly traded companies are spending their money and whether they are hiring and investing in the United States or are sending their resources overseas.

I urge my colleagues to support this amendment and to support the underlying bill.

I reserve the balance of my time.

Mr. HENSARLING. I rise in opposition to the amendment.

The Acting CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. HENSARLING. I guess the threshold question I have to ask is: How does this amendment help jumpstart business start-ups?

What this amendment does is require one more disclosure report. Much of

this, frankly, I do not believe to be germane to the underlying bill, but it is here before us. Nonetheless, it is one more regulatory burden. It is one more cost imposed upon our job creators. It is one more piece of red tape when already the Small Business Administration under the Obama administration has reported the total regulatory cost amounts to \$1.75 trillion annually, which is enough money for businesses to provide 35 million private sector jobs with an average salary of \$50,000. The same report from the Obama administration's Small Business Administration has reported that 64 percent of all new jobs in the past 15 years have come from small business. Yet these small businesses face an annual regulatory cost of \$10,585 per employee.

So, again, I begin to wonder. I know every single report, every single study, every single regulation has, perhaps, some beneficial purpose, but the cumulative impact of them all, Madam Chair, is hurting our businesses.

According to a recent Chamber of Commerce small business survey, 78 percent of small businesses surveyed report that taxation, regulation, legislation from Washington is what is making it harder for their firms to hire more individuals. What we understand from the Office of Information and Regulatory Affairs, a division of OMB, is that during the first 3 years of the President's administration, we have seen a 95 percent increase in the average number of completed regulations deemed economically significant to our economy—almost double. The administration has currently proposed 3,118 regulations. Again, at what point do you begin to say enough is enough?

I understand the purpose of the gentleman's amendment, but I think we know that we have lost far too many jobs overseas. It's not a matter of documenting the symptom; it's getting to the disease. What is the root cause? Well, we know what the root cause is. The root cause is too much red tape. It's bills like the President's health care plan, which is an anathema to small businesses across the land—2,000 pages of legislation that have promulgated even more regulations. Talk to any small business person in America, and the person will cite the President's health care program as something that is inhibiting job growth.

This regulatory burden almost doubles economically significant regulations imposed. That's what's chasing jobs overseas—taxation. The President is proposing \$1.9 trillion more in taxes, much of it to fall upon small businesses; and we wonder why we're losing jobs overseas? That's what needs to be documented—not the fact that it's happening, but the root causes. That would be more worthy of a study.

At this point, the purpose of this bill is to help bring more companies on to this IPO on-ramp. This is at cross-purposes, and I would urge my colleagues to defeat this.

I reserve the balance of my time.

Mr. PETERS. I would like to respond to my esteemed colleague in a couple of respects.

He mentions that this is outside the scope of the legislation, that this is really not germane to what we're dealing with. I think, hopefully, my colleague will agree with me that this legislation is about jobs, that it is about creating jobs. More importantly, it is about making sure that those jobs are here in the United States. My colleague across the aisle wants to create jobs overseas. He can do that somewhere else. He should not be doing it in the legislation before us.

This is about empowering American businesses to hire American workers in order to grow the American economy. For us to do that, though, we need to have information. We have to know whether or not these policies that we are implementing are, indeed, doing what they are intended to do, which is to create jobs in the United States.

My colleague argues that this is somehow some incredible burden on companies to be able to report this. I want to remind my colleague that they already do report the number of employees they have. That is part of the SEC filings that currently public corporations are required to file. All this does is ask where those employees are. Are they in the United States or are they overseas? To argue that this is somehow some incredible administrative burden would be to argue that these companies have no idea where they are sending their paychecks and that they're going to need to have some sort of expensive compliance mechanism put in place. I would argue companies know exactly where they send those paychecks each and every month. They know if they're sending them to the United States, and they know if they're sending them overseas.

This is easy to comply with, but it is absolutely essential information for those of us as policymakers who hear from companies regularly that only if we were to adopt this policy they would create jobs. Well, if we adopt that policy, I would like to see that those jobs are actually being created in America and not overseas. We need to have that transparency.

Additionally, this amendment is very careful to exempt new companies, those that are first filing. The initial first 5 years of a start-up company do not have to file this; but what often happens with these new start-up companies is that they start up in the United States. When they then move to scale up operations and really start selling products, all too often we see those companies sending those jobs overseas, and the scale-up—most of the jobs, most of the good-paying middle class jobs, which are critical for a strong economy and for a strong democracy, are being sent overseas.

We need to know. We need to have the transparency. That's simply what this amendment does, and I would urge its adoption.

I yield back the balance of my time.

Mr. HENSARLING. I would inquire of the Chair how much time I have remaining.

The Acting CHAIR. The gentleman from Texas has 1 minute remaining.

Mr. HENSARLING. In that case, Madam Chair, I yield the balance of my time to the gentleman from Tennessee (Mr. FINCHER).

Mr. FINCHER. I thank the gentleman for yielding.

I appreciate Mr. PETERS' concerns, but this is about the private sector creating jobs. As we've been here as freshmen for a year and a few months, we have to remind ourselves in this body that jobs are not created in the Halls of Congress, they're created in the private sector, which is what this jobs package will do for America. It lets the private sector get back in the business of creating jobs. I do appreciate the concern, but we're looking out for America here, not overseas jobs. We're looking at bringing back jobs, lowering unemployment and letting the private sector get back in the driver's seat of our economy.

American businesses don't need more mandates from Washington. I couldn't help but hear "we, we, we" and "us, us, us" here in the House. Let's get back to the people and to the private sector.

While I understand, again, that the gentleman's intention may be to encourage more companies to keep jobs at home, I think this amendment would only add to the list of reasons a company chooses a path other than going public, which leads to less job creation at home. So I urge my colleagues to vote "no" on this amendment.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Michigan (Mr. PETERS).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Mr. PETERS. Madam Chair, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Michigan will be postponed.

□ 1100

AMENDMENT NO. 16 OFFERED BY MRS. CAPPS

The Acting CHAIR. It is now in order to consider amendment No. 16 printed in House Report 112-409.

Mrs. CAPPS. Madam Chair, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Add at the end the following (and conform the table of contents accordingly):

#### **TITLE VII—REPORT ON IPQS AND MANUFACTURING**

##### **SEC. 701. REPORT.**

After the end of the 1-year period beginning on the date of the enactment of this Act, the Securities and Exchange Commission shall issue a report to the Congress on



the increase in initial public offerings that resulted from this Act and the amendments made by this Act, including the specific increases in offerings by companies in the manufacturing industry and the high technology industry.

The Acting CHAIR. Pursuant to House Resolution 572, the gentlewoman from California (Mrs. CAPPS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California.

Mrs. CAPPS. Madam Chair, I rise today to offer a straightforward amendment to H.R. 3606, the Jumpstart Our Business Startups Act.

My amendment would simply direct the Securities and Exchange Commission to conduct a study 1 year after enactment of the law to determine the increase in initial public offerings, or IPOs, resulting from this legislation. The study would also include data specifically on the increases in the manufacturing and high-technology industries.

Though I have concerns about the underlying bill, I plan to support it because I believe it will help small high-tech manufacturers, particularly many in my congressional district, to grow and to hire. However, I also believe we must take steps to ensure these provisions are actually working and our innovative entrepreneurs and small businesses are getting the support they need.

Madam Chair, as our Nation has struggled these past few years from the economic crisis, we have taken a hard look at what is required for our economy to grow and to thrive into the future. One thing we have all agreed upon is the need to Make It in America.

Of course, this means rebuilding and re-energizing American manufacturing, especially in high-tech. America's greatest export has always been our innovative ideas. For decades, we excelled at both imagining and building new products here in America. But in recent years, we've lost so many manufacturing plants and the millions of quality middle class jobs that came with them.

Small start-ups and local companies have been replaced with large global corporations who have exported our best ideas and our jobs overseas. This has to stop.

Encouraging growth in high-tech manufacturing here at home is critical to rebuilding our economy to better compete in the 21st century. Whether it's in clean energy, defense, or computer science, high-tech manufacturers are creating jobs, spurring economic growth, and helping our Nation regain its rightful place as the global leader in innovation and manufacturing.

What my amendment will simply ensure is this bill is actually accomplishing what it is supposed to accomplish. It will ensure that these reforms are helping high-tech entrepreneurs and small businesses grow and hire more workers.

I'm fortunate in my district to see firsthand the tremendous success these innovative high-tech manufacturers can have in the 21st century economy, companies like Transphorm, Inogen, Trust Automation, MariPro, Owl Biomedical, and Wyatt Technologies. They're all homegrown, often with ideas first hatched at our public universities like UC Santa Barbara and Cal Poly San Luis Obispo.

These companies, and so many more like them, are all innovating, expanding, and creating quality local, good-paying jobs on California's central coast. These innovative businesses have weathered the economic crisis better than anyone else, and they've done this not by outsourcing jobs or cutting pay and benefits. They are doing it the old-fashioned way by constantly innovating and outthinking their competition. They demonstrate the critical link between education, innovation, and our economy. Well, the reforms in the underlying bill are certainly important. We can't lose sight of the many other critical policies that help nurture and grow small business.

As I meet with small business owners and entrepreneurs throughout my district, I hear about access to capital and cutting red tape, of course. But I also hear about the importance of funding our local community colleges and universities, improving local infrastructure, and protecting critical Federal programs like the Small Business Innovation Research, SBIR, under the Small Business Administration.

This bill certainly moves us in the right direction, but we need to do so much more. We need to take up a long-term transportation bill that rebuilds our crumbling roads, bridges, and railways without partisan gimmicks and giveaways.

We need to address the ongoing housing crisis that continues to drag down our economy and force families from their homes. We need to close the gaping loopholes in our Tax Code that encourage companies to ship jobs overseas.

Madam Chair, this bill is a positive step forward, but as many of my colleagues have pointed out, there is room for improvement. While I hope this bill can be improved as it moves forward, I plan to support it because it includes important reforms that will help small businesses. We must also ensure these reforms are actually helping the businesses that need it most, our small manufacturers and innovators.

My amendment will make that happen, and I urge my colleagues to support it.

I reserve the balance of my time.

Mr. HENSARLING. Mr. Chairman, I rise to claim time in opposition.

The Acting CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. HENSARLING. Madam Chair, this, again, the underlying piece of legislation is a piece of legislation that is designed to ensure that small businesses have an on-ramp to equity fi-

nancing into the IPO market. Let's recall again, why are we seeing so few IPOs? Why are we continuing in this 8 percent-plus unemployment environment for over 3 years, the longest period of sustained high unemployment since the Great Depression?

Well, I listen closely to businesspeople in the Fifth Congressional District of Texas. I listen to other job creators around America, and here's what I hear.

John Mackey, cofounder and CEO of Whole Foods Market:

In some cases regulations have gone too far, and it really makes it difficult for small businesses. There's too much bureaucracy and red tape. Taxes on business are very high. So we're not creating the enabling conditions that allow businesses to get started.

We're trying to cut away red tape with this JOBS Act.

Andrew Puzder, CEO, CKE Restaurants:

Government just doesn't understand how much uncertainty it creates in the economy when it attempts to regulate what the private sector does, and it really doesn't understand what the private sector does.

Bernie Marcus, cofounder, former CEO of Home Depot:

Having built a small business into a big one, I can tell you that today the impediments that the government imposes are almost impossible to deal with. Home Depot would have never succeeded if we tried to start it today.

Let me repeat that, Madam Chair. Home Depot would never have succeeded if we tried to start it today.

Every day you see rules and regulations from a group of Washington bureaucrats who know nothing about running a business, and I mean every day. It's become stifling.

If you're a small businessman, the only way to deal with it is to work harder, put in more hours, and let people go. When you consider that something like 70 percent of the American people work for small businesses, you are talking about a big economic impact.

Just three voices, Madam Chair, from America's job creators. Again, it's not a real secret why we've had a dearth of IPOs.

I understand the gentlelady's amendment is to have the SEC issue a report, number one. I would also note, since these are public filings, we ourselves, as Members of Congress, will have no trouble whatsoever understanding how many companies will go public in the next year.

I understand the gentlelady's argument, I respect that, but, again, it's just one more reporting burden that, frankly, is being placed on the SEC. Now, we've had a debate, and the ranking member has brought up many times he's unhappy with the level of funding that the SEC has received. In fact, I would note, however, that even the President of the United States in his budget is not trying to give the SEC what they have requested.

But what the ranking member has said:

Studies are not done for free by the SEC. I think we have got a further burdening of the SEC with more work. Given the current decision to restrict SEC funding, I will be much more careful about burdening them with studies which will inevitably come at the expense of more important duties.

Again it's a debate. Does the SEC have the right amount of resources, too much, too many? I don't know, that's a legitimate debate.

But, apparently, he thought strongly enough that we should not be burdening the SEC with further burdens at this time. For all of those reasons, I would urge that we defeat the amendment.

I reserve the balance of my time.

Mrs. CAPPS. Madam Chair, I yield myself the balance of my time.

As I said initially, this amendment is simple and it's straightforward. It simply ensures that the provisions of the bill are actually helping small business grow and hire more workers. It's an amendment about oversight and accountability, and it focuses especially on the manufacturers and high-tech innovators that are so critical to future economic growth.

Madam Chair, how much time remains on our side?

The Acting CHAIR. The gentlewoman from California has 5 seconds remaining.

Mrs. CAPPS. I yield the balance of my time to my ranking member, the gentleman from Massachusetts (Mr. FRANK).

□ 1110

Mr. FRANK of Massachusetts. I appreciate the gentleman from Texas selectively quoting me. I do not want to pile on studies, but this one makes a great deal of sense.

Mr. HENSARLING. Madam Chair, may I inquire how much time I have remaining.

The Acting CHAIR. The gentleman from Texas has 1 minute remaining.

Mr. HENSARLING. Madam Chair, I yield myself the balance of my time.

Among other reasons I think we should oppose this amendment, number one, I'm not sure what we're going to learn in 1 year. We didn't get into this terrible environment of high unemployment overnight. Frankly, it took 3 years of the burdens that this administration has placed on small businesses. I don't know if we are going to get out of it overnight. So, number one, I don't believe that 1 year is particularly helpful.

But, again, we can have a debate about the root causes. We're already going to know which companies go public. And at some point in time you have to say are the benefits to be derived from the report, from the regulation, worth the cost? I simply don't see it, Madam Chair. Again, I urge defeat of the amendment.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from California (Mrs. CAPPS).

The question was taken; and the Acting Chair announced that the yeas appeared to have it.

Mrs. CAPPS. Madam Chair, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from California will be postponed.

AMENDMENT NO. 17 OFFERED BY MR. LOEBSACK

The Acting CHAIR. It is now in order to consider amendment No. 17 printed in House Report 112-409.

Mr. LOEBSACK. Madam Chair, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Add at the end the following (and conform the table of contents accordingly):

#### **TITLE VII—OUTREACH ON CHANGES TO THE LAW**

##### **SEC. 701. OUTREACH BY THE COMMISSION.**

The Securities and Exchange Commission shall provide online information and conduct outreach to inform small and medium sized businesses, women owned businesses, veteran owned businesses, and minority owned businesses of the changes made by this Act.

The Acting CHAIR. Pursuant to House Resolution 572, the gentleman from Iowa (Mr. LOEBSACK) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Iowa.

Mr. LOEBSACK. Madam Chair, I yield myself such time as I may consume.

I first want to thank Congressman FINCHER and the Financial Services Committee for bringing this package forward. I am encouraged the House is taking steps today to support small businesses, and I would urge and hope the House will take up additional legislation to create jobs. As any Iowa family can tell you, our Nation is still recovering from the worst recession since the Great Depression, and Congress' focus must be on jobs. Our unemployment rate is painfully high, is still painfully high, and has been a long-term problem for millions of Americans and thousands of Iowans.

We need to be working on legislation to boost our economy, and helping our small businesses flourish is an important step in that direction. This is why I am offering this amendment, to ensure provisions of this legislation are made widely available, and particularly to women-owned, veteran-owned, and minority-owned businesses to make sure that they are informed of changes that might help. Small businesses will be leaders in helping our country climb out of the recession.

I'm home every weekend in Iowa, and I hear time and again the two big problems small businesses face is access to capital and finding skilled workers. In order for this bill to be effective, small and medium businesses must be aware of the new opportunities they will have to expand their business and raise cap-

ital. This will be particularly important for the segment of businesses I am targeting in my amendment—women-owned, veteran-owned, and minority-owned businesses.

Specifically, my amendment would require the Securities and Exchange Commission to provide information online and also conduct outreach to these businesses to help them utilize the changes made through this legislation.

Especially since it is Women's History Month, there is no better time to highlight the importance of women-owned businesses to our economy. It's estimated there are over 8 million women-owned businesses in the United States, generating nearly \$1.3 trillion in revenues and employing nearly 8 million people. Women-owned businesses account for almost 30 percent of U.S. firms and are growing in some nontraditional areas as well.

Especially during these tough economic times that are weighing heavily on our veterans and their families, it is also essential we as a Nation do all we can to ensure no man or woman who has served our country in uniform should have to fight for a job here at home. Veterans bring to the table many of the skills necessary to run a small business as well and to be leaders in their community. Veterans own 2.4 million businesses, generated over \$1 trillion in receipts, and employed nearly 6 million people.

Minority business owners also employ nearly 6 million people with \$864 billion in receipts.

All small businesses owners are important, which is why there is a requirement in my amendment to post information about advantages changes in this bill might offer on the SEC Web site in addition to conducting outreach for women-owned, veteran-owned, and minority-owned businesses. This amendment does not score according to the nonpartisan CBO and is simply a commonsense way to ensure employers we're trying to target in this legislation are able to use these new tools to grow our economy and create new jobs and industries. I ask for the support of my colleagues on this commonsense amendment.

I reserve the balance of my time.

Mr. HENSARLING. Madam Chair, I rise to claim the time in opposition, although I am not opposed to the bill.

The Acting CHAIR. Without objection, the gentleman from Texas is recognized for 5 minutes.

There was no objection.

Mr. HENSARLING. Madam Chair, I want to thank the gentleman from Iowa for bringing this amendment to the floor. I suspect, given that the SEC already has a fairly comprehensive Web site, they probably would have done the proper job in outreach on small business issues. But as important as the JOBS Act is, his amendment is helpful to the underlying bill. I also want to thank him for working with us to tailor his amendment to the underlying bill. Again, it is my expectation



that the SEC would do this job. This will help ensure that all the benefits of this act will be known throughout the small-business community. I urge adoption of the gentleman's amendment.

I reserve the balance of my time.

Mr. LOEBSACK. Madam Chair, I yield such time as she may consume to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY. Madam Chair, I thank the gentleman for yielding and compliment him on his very thoughtful amendment, and appreciate the support of the other side of the aisle.

This amendment is aimed at supporting the growth of small and medium-sized businesses and easing the sometimes daunting task of figuring out just what new legislation will mean to them.

This amendment requires the SEC to provide online information and, perhaps more importantly, outreach to small and medium-sized businesses, businesses owned by women, minorities, and veterans.

It is widely recognized that such businesses face a unique set of challenges. We should be doing everything we can to encourage their growth and supporting their success.

Again, I compliment the hard work and really meaningful amendment that my friend from the great State of Iowa has put forth, and I urge unanimous support of it and appreciate the support of the other side of the aisle.

Mr. HENSARLING. Madam Chair, I yield myself the balance of my time.

Again, I wish to urge adoption of the gentleman's amendment. Madam Chair, I would note that this is the last amendment that we will be debating. So, again, I want to use this opportunity to urge all of my colleagues to support the JOBS Act. We again know that jobs, economic growth, the state of our economy continue to be the most pressing issues we are facing in the Nation today. These are foremost in the minds of our constituents.

I want to thank the Republican leader, the gentleman from Virginia, for his leadership in bringing this effort to the floor. I certainly want to thank the chairman of the Financial Services Committee, Mr. BACHUS of Alabama, and the prime author of the legislation, the gentleman from Tennessee (Mr. FINCHER), who has been very active in this debate. I also want to thank the Representatives, my colleagues from the other side of the aisle, for working with us again. It is challenging, most challenging, to find areas of consensus, and most challenging to find the ability to move bipartisan legislation. I think this is a day, a moment, that can be celebrated by all Members. It certainly doesn't do what we would totally like done on our side of the aisle, and I'm sure my friends on the other side of the aisle have the same thing to say.

□ 1120

But it is a step in the right direction for allowing more start-ups to access

equity capital to create more jobs for a Nation in desperate need of more job growth and more economic growth.

Again, we know the President in his Statement of Administration Policy has indicated a desire to sign this piece of legislation, and I look forward to the President having that opportunity. I hope it is not our last opportunity to work on a bipartisan basis in this Congress and in this year. It is certainly a good start and something I believe the American people will celebrate.

I want to urge adoption of the gentleman's amendment; I want to urge all of my colleagues to support the bill; and let's find ways to grow this economy and get America back to work.

I yield back the balance of my time. The Acting CHAIR. The gentleman from Iowa has 30 seconds remaining.

Mr. LOEBSACK. Thank you, Madam Chair.

I really do appreciate the support from the other side of the aisle for this amendment.

I concur with my colleague from Texas in his sentiment that the American people want us to work together to get America back to work again. That's what I'm hearing when I'm home every weekend in my district. I appreciate the support from the gentlewoman from New York as well.

Hopefully, this is the beginning of something bigger where we can work across the aisle and get America back to work and get this economy back on track.

With that, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Iowa (Mr. LOEBSACK).

The amendment was agreed to.

Mr. HENSARLING. Madam Chair, I move that the Committee do now rise. The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. FINCHER) having assumed the chair, Mrs. MILLER of Michigan, Acting Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 3606) to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies, had come to no resolution thereon.

#### COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, March 8, 2012.

Hon. JOHN A. BOEHNER,  
The Speaker, U.S. Capitol, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following mes-

sage from the Secretary of the Senate on March 8, 2012 at 9:34 a.m.:

That the Senate passed S. 1855.

With best wishes, I am

Sincerely,

KAREN L. HAAS,  
Clerk.

#### RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until approximately 11:45 a.m. today.

Accordingly (at 11 o'clock and 22 minutes a.m.), the House stood in recess.

□ 1145

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. MILLER of Michigan) at 11 o'clock and 45 minutes a.m.

The SPEAKER pro tempore. Pursuant to House Resolution 572 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the further consideration of the bill, H.R. 3606.

□ 1146

#### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H.R. 3606) to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies, with Mr. SIMPSON (Acting Chair) in the chair.

The Clerk read the title of the bill.

The Acting CHAIR. When the Committee of the Whole rose earlier today, amendment No. 17 printed in House Report 112-409 offered by the gentleman from Iowa (Mr. LOEBSACK) had been disposed of.

Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments printed in House Report 112-409 on which further proceedings were postponed, in the following order:

Amendment No. 15 by Mr. PETERS of Michigan.

Amendment No. 16 by Mrs. CAPPS of California.

The Chair will reduce to 2 minutes the minimum time for any electronic vote after the first vote in this series.

#### AMENDMENT NO. 15 OFFERED BY MR. PETERS

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Michigan (Mr. PETERS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

#### RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.