Mr. HASTINGS of Washington. Mr. Speaker, I advise my friend from Arizona I have no more requests for time, so I reserve the balance of my time.

Mr. GRIJALVA. Mr. Speaker, I yield back the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Washington (Mr. HASTINGS) that the House suspend the rules and pass the bill, H.R. 4119, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PROMOTING JOB CREATION AND REDUCING SMALL BUSINESS BURDENS ACT

Mr. FITZPATRICK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5405) to make technical corrections to the Dodd-Frank Wall Street Reform and Consumer Protection Act, to enhance the ability of small and emerging growth companies to access capital through public and private markets, to reduce regulatory burdens, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5405

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Promoting Job Creation and Reducing Small Business Burdens Act''.

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

TITLE I—BUSINESS RISK MITIGATION AND PRICE STABILIZATION ACT

SEC. 101. MARGIN REQUIREMENTS.

(a) COMMODITY EXCHANGE ACT AMENDMENT.—Section 4s(e) of the Commodity Exchange Act (7 U.S.C. 6s(e)), as added by section 731 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, is amended by adding at the end the following new paragraph:

''(4) APPLICABILITY WITH RESPECT TO COUNTERPARTIES.—The requirements of paragraphs (2)(A)(ii) and (2)(B)(ii), including the initial and variation margin requirements imposed by rules adopted pursuant to paragraphs (2)(A)(ii) and (2)(B)(ii), shall not apply to a swap in which a counterparty qualifies for an exception under section 2(h)(7)(A), or an exemption issued under section 4(c)(1) from the requirements of section 2(h)(1)(A) for cooperative entities as defined in such exemption, or satisfies the criteria in section 2(h)(7)(D).''.

(b) SECURITIES EXCHANGE ACT AMENDMENT.—Section 15F(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78o–10(e)), as added by section 764(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, is amended by adding at the end the following new paragraph:

''(4) APPLICABILITY WITH RESPECT TO COUNTERPARTIES.—The requirements of paragraphs (2)(A)(ii) and (2)(B)(ii) shall not apply to a security-based swap in which a counterparty qualifies for an exception under section 3C(g)(1) or satisfies the criteria in section 3C(g)(4).''.

SEC. 102. IMPLEMENTATION.

The amendments made by this title to the Commodity Exchange Act shall be implemented—

(1) without regard to—

(A) chapter 35 of title 44, United States Code; and

(B) the notice and comment provisions of section 553 of title 5, United States Code;

(2) through the promulgation of an interim final rule, pursuant to which public comment will be sought before a final rule is issued; and

(3) such that paragraph (1) shall apply solely to changes to rules and regulations, or proposed rules and regulations, that are limited to and directly a consequence of such amendments.

TITLE II—TREATMENT OF AFFILIATE TRANSACTIONS

SEC. 201. TREATMENT OF AFFILIATE TRANSACTIONS.

(a) IN GENERAL.—

(1) COMMODITY EXCHANGE ACT AMENDMENT.—Section 2(h)(7)(D)(i) of the Commodity Exchange Act (7 U.S.C. 2(h)(7)(D)(i)) is amended to read as follows:

''(i) IN GENERAL.—An affiliate of a person that qualifies for an exception under subparagraph (A) (including affiliate entities predominantly engaged in providing financing for the purchase of the merchandise or manufactured goods of the person) may qualify for the exception only if the affiliate enters into the swap to hedge or mitigate the commercial risk of the person or other affiliate of the person that is not a financial entity, provided that if the transfer of commercial risk is addressed by entering into a swap with a swap dealer or major swap participant, an appropriate credit support measure or other mechanism is utilized.''.

(2) SECURITIES EXCHANGE ACT OF 1934 AMENDMENT.—Section 3C(g)(4)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78c–3(g)(4)(A)) is amended to read as follows:

''(A) IN GENERAL.—An affiliate of a person that qualifies for an exception under paragraph (1) (including affiliate entities predominantly engaged in providing financing for the purchase of the merchandise or manufactured goods of the person) may qualify for the exception only if the affiliate enters into the security-based swap to hedge or mitigate the commercial risk of the person or other affiliate of the person that is not a financial entity, provided that if the transfer of commercial risk is addressed by entering into a security-based swap with a security-based swap dealer or major security-based swap participant, an appropriate credit support measure or other mechanism is utilized.''.

(b) APPLICABILITY OF CREDIT SUPPORT MEASURE REQUIREMENT.—Notwithstanding section 371 of this Act, the requirements in section 2(h)(7)(D)(i) of the Commodity Exchange Act and section 3C(g)(4)(A) of the Securities Exchange Act of 1934, as amended by subsection (a), requiring that a credit support measure or other mechanism be utilized if the transfer of commercial risk referred to in such sections is addressed by entering into a swap with a swap dealer or major swap participant or a security-based swap with a security-based swap dealer or major security-based swap participant, as appropriate, shall not apply with respect to swaps or security-based swaps, as appropriate, entered into before the date of the enactment of this Act.

TITLE III—HOLDING COMPANY REGISTRATION THRESHOLD EQUALIZATION ACT

SEC. 301. REGISTRATION THRESHOLD FOR SAVINGS AND LOAN HOLDING COMPANIES.

The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended—

(1) in section 12(g)—

(A) in paragraph (1)(B), by inserting after ''is a bank'' the following: '', a savings and loan holding company (as defined in section 10 of the Home Owners' Loan Act),''; and

(B) in paragraph (4), by inserting after ''case of a bank'' the following: '', a savings and loan holding company (as defined in section 10 of the Home Owners' Loan Act),''; and

(2) in section 15(d), by striking ''case of bank'' and inserting the following: ''case of a

bank, a savings and loan holding company (as defined in section 10 of the Home Owners' Loan Act),''.

TITLE IV—SMALL BUSINESS MERGERS, ACQUISITIONS, SALES, AND BROKERAGE SIMPLIFICATION ACT

SEC. 401. REGISTRATION EXEMPTION FOR MERGER AND ACQUISITION BROKERS.

Section 15(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b)) is amended by adding at the end the following:

''(13) REGISTRATION EXEMPTION FOR MERGER AND ACQUISITION BROKERS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), an M&A broker shall be exempt from registration under this section.

''(B) EXCLUDED ACTIVITIES.—An M&A broker is not exempt from registration under this paragraph if such broker does any of the following:

''(i) Directly or indirectly, in connection with the transfer of ownership of an eligible privately held company, receives, holds, transmits, or has custody of the funds or securities to be exchanged by the parties to the transaction.

''(ii) Engages on behalf of an issuer in a public offering of any class of securities that is registered, or is required to be registered, with the Commission under section 12 or with respect to which the issuer files, or is required to file, periodic information, documents, and reports under subsection (d).

''(C) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to limit any other authority of the Commission to exempt any person, or any class of persons, from any provision of this title, or from any provision of any rule or regulation thereunder.

''(D) DEFINITIONS.—In this paragraph:

''(i) CONTROL.—The term 'control' means the power, directly or indirectly, to direct the management or policies of a company, whether through ownership of securities, by contract, or otherwise. There is a presumption of control for any person who—

''(I) is a director, general partner, member or manager of a limited liability company, or officer exercising executive responsibility (or has similar status or functions);

''(II) has the right to vote 20 percent or more of a class of voting securities or the power to sell or direct the sale of 20 percent or more of a class of voting securities; or

''(III) in the case of a partnership or limited liability company, has the right to receive upon dissolution, or has contributed, 20 percent or more of the capital.

''(ii) ELIGIBLE PRIVATELY HELD COMPANY.—The term 'eligible privately held company' means a company that meets both of the following conditions:

''(I) The company does not have any class of securities registered, or required to be registered, with the Commission under section 12 or with respect to which the company files, or is required to file, periodic information, documents, and reports under subsection (d).

''(II) In the fiscal year ending immediately before the fiscal year in which the services of the M&A broker are initially engaged with respect to the securities transaction, the company meets either or both of the following conditions (determined in accordance with the historical financial accounting records of the company):

''(aa) The earnings of the company before interest, taxes, depreciation, and amortization are less than $25,000,000.

''(bb) The gross revenues of the company are less than $250,000,000.

''(iii) M&A BROKER.—The term 'M&A broker' means a broker, and any person associated with a broker, engaged in the business of effecting securities transactions solely in connection with the transfer of ownership of an eligible privately held company, regardless of whether the broker acts on behalf of a seller or buyer, through the purchase, sale, exchange, issuance, repurchase, or redemption of, or a business combination involving, securities or assets of the eligible privately held company, if the broker reasonably believes that—

''(I) upon consummation of the transaction, any person acquiring securities or assets of the eligible privately held company, acting alone or in concert, will control and, directly or indirectly, will be active in the management of the eligible privately held company or the business conducted with the assets of the eligible privately held company; and

''(II) if any person is offered securities in exchange for securities or assets of the eligible privately held company, such person will, prior to becoming legally bound to consummate the transaction, receive or have reasonable access to the most recent year-end balance sheet, income statement, statement of changes in financial position, and statement of owner's equity of the issuer of the securities offered in exchange, and, if the financial statements of the issuer are audited, the related report of the independent auditor, a balance sheet dated not more than 120 days before the date of the offer, and information pertaining to the management, business, results of operations for the period covered by the foregoing financial statements, and material loss contingencies of the issuer.

''(E) INFLATION ADJUSTMENT.—

''(i) IN GENERAL.—On the date that is 5 years after the date of the enactment of the Small Business Mergers, Acquisitions, Sales, and Brokerage Simplification Act of 2014, and every 5 years thereafter, each dollar amount in subparagraph (D)(ii)(II) shall be adjusted by—

''(I) dividing the annual value of the Employment Cost Index For Wages and Salaries, Private Industry Workers (or any successor index), as published by the Bureau of Labor Statistics, for the calendar year preceding the calendar year in which the adjustment is being made by the annual value of such index (or successor) for the calendar year ending December 31, 2012; and

''(II) multiplying such dollar amount by the quotient obtained under subclause (I).

''(ii) ROUNDING.—Each dollar amount determined under clause (i) shall be rounded to the nearest multiple of $100,000.''.

SEC. 402. EFFECTIVE DATE.

This Act and any amendment made by this Act shall take effect on the date that is 90 days after the date of the enactment of this Act.

TITLE V—SMALL CAP LIQUIDITY REFORM ACT

SEC. 501. LIQUIDITY PILOT PROGRAM FOR SECURITIES OF CERTAIN EMERGING GROWTH COMPANIES.

(a) IN GENERAL.—Section 11A(c)(6) of the Securities Exchange Act of 1934 (15 U.S.C. 78k–1(c)(6)) is amended to read as follows:

''(6) LIQUIDITY PILOT PROGRAM FOR SECURITIES OF CERTAIN EMERGING GROWTH COMPANIES.—

''(A) QUOTING INCREMENT.—Beginning on the date that is 90 days after the date of the enactment of the Small Cap Liquidity Reform Act of 2014, the securities of a covered emerging growth company shall be quoted using—

''(i) a minimum increment of $0.05; or

''(ii) if, not later than 60 days after such date of enactment, the company so elects in the manner described in subparagraph (D)—

''(I) a minimum increment of $0.10; or

''(II) the increment at which such securities would be quoted without regard to the minimum increments established under this paragraph.

''(B) TRADING INCREMENT.—In the case of a covered emerging growth company the securities of which are quoted at a minimum increment of $0.05 or $0.10 under this paragraph, the Commission shall determine the increment at which the securities of such company are traded.

''(C) FUTURE RIGHT TO OPT OUT OR CHANGE MINIMUM INCREMENT.—

''(i) IN GENERAL.—At any time beginning on the date that is 90 days after the date of the enactment of the Small Cap Liquidity Reform Act of 2014, a covered emerging growth company the securities of which are quoted at a minimum increment of $0.05 or $0.10 under this paragraph may elect in the manner described in subparagraph (D)—

''(I) for the securities of such company to be quoted at the increment at which such securities would be quoted without regard to the minimum increments established under this paragraph; or

''(II) to change the minimum increment at which the securities of such company are quoted from $0.05 to $0.10 or from $0.10 to $0.05.

''(ii) WHEN ELECTION EFFECTIVE.—An election under this subparagraph shall take effect on the date that is 30 days after such election is made.

''(iii) SINGLE ELECTION TO CHANGE MINIMUM INCREMENT.—A covered emerging growth company may not make more than one election under clause (i)(II).

''(D) MANNER OF ELECTION.—

''(i) IN GENERAL.—An election is made in the manner described in this subparagraph by informing the Commission of such election.

''(ii) NOTIFICATION OF EXCHANGES AND OTHER TRADING VENUES.—Upon being informed of an election under clause (i), the Commission shall notify each exchange or other trading venue where the securities of the covered emerging growth company are quoted or traded.

''(E) ISSUERS CEASING TO BE COVERED EMERGING GROWTH COMPANIES.—

''(i) IN GENERAL.—If an issuer the securities of which are quoted at a minimum increment of $0.05 or $0.10 under this paragraph ceases to be a covered emerging growth company, the securities of such issuer shall be quoted at the increment at which such securities would be quoted without regard to the minimum increments established under this paragraph.

''(ii) EXCEPTIONS.—The Commission may by regulation, as the Commission considers appropriate, specify any circumstances under which an issuer shall continue to be considered a covered emerging growth company for purposes of this paragraph after the issuer ceases to meet the requirements of subparagraph (L)(i).

''(F) SECURITIES TRADING BELOW $1.—

''(i) INITIAL PRICE.—

''(I) AT EFFECTIVE DATE.—If the trading price of the securities of a covered emerging growth company is below $1 at the close of the last trading day before the date that is 90 days after the date of the enactment of the Small Cap Liquidity Reform Act of 2014, the securities of such company shall be quoted using the increment at which such securities would be quoted without regard to the minimum increments established under this paragraph.

''(II) AT IPO.—If a covered emerging growth company makes an initial public offering after the day described in subclause (I) and the first share of the securities of such company is offered to the public at a price below $1, the securities of such company shall be quoted using the increment at which such securities would be quoted without regard to

the minimum increments established under this paragraph.

''(ii) AVERAGE TRADING PRICE.—If the average trading price of the securities of a covered emerging growth company falls below $1 for any 90-day period beginning on or after the day before the date of the enactment of the Small Cap Liquidity Reform Act of 2014, the securities of such company shall, after the end of such period, be quoted using the increment at which such securities would be quoted without regard to the minimum increments established under this paragraph.

''(G) FRAUD OR MANIPULATION.—If the Commission determines that a covered emerging growth company has violated any provision of the securities laws prohibiting fraudulent, manipulative, or deceptive acts or practices, the securities of such company shall, after the date of the determination, be quoted using the increment at which such securities would be quoted without regard to the minimum increments established under this paragraph.

''(H) INELIGIBILITY FOR INCREASED MINIMUM INCREMENT PERMANENT.—The securities of an issuer may not be quoted at a minimum increment of $0.05 or $0.10 under this paragraph at any time after—

''(i) such issuer makes an election under subparagraph (A)(ii)(II);

''(ii) such issuer makes an election under subparagraph (C)(i)(I), except during the period before such election takes effect; or

''(iii) the securities of such issuer are required by this paragraph to be quoted using the increment at which such securities would be quoted without regard to the minimum increments established under this paragraph.

''(I) ADDITIONAL REPORTS AND DISCLOSURES.—The Commission shall require a covered emerging growth company the securities of which are quoted at a minimum increment of $0.05 or $0.10 under this paragraph to make such reports and disclosures as the Commission considers necessary or appropriate in the public interest or for the protection of investors.

''(J) LIMITATION OF LIABILITY.—An issuer (or any officer, director, manager, or other agent of such issuer) shall not be liable to any person (other than such issuer) under any law or regulation of the United States, any constitution, law, or regulation of any State or political subdivision thereof, or any contract or other legally enforceable agreement (including any arbitration agreement) for any losses caused solely by the quoting of the securities of such issuer at a minimum increment of $0.05 or $0.10, by the trading of such securities at the increment determined by the Commission under subparagraph (B), or by both such quoting and trading, as provided in this paragraph.

''(K) REPORT TO CONGRESS.—Not later than 6 months after the date of the enactment of the Small Cap Liquidity Reform Act of 2014, and every 6 months thereafter, the Commission, in coordination with each exchange on which the securities of covered emerging growth companies are quoted or traded, shall submit to Congress a report on the quoting and trading of securities in increments permitted by this paragraph and the extent to which such quoting and trading are increasing liquidity and active trading by incentivizing capital commitment, research coverage, and brokerage support, together with any legislative recommendations the Commission may have.

''(L) DEFINITIONS.—In this paragraph:

''(i) COVERED EMERGING GROWTH COMPANY.—The term 'covered emerging growth company' means an emerging growth company, as defined in the first paragraph (80) of section 3(a), except that—

''(I) such paragraph shall be applied by substituting '$750,000,000' for '$1,000,000,000' each place it appears; and

''(II) subparagraphs (B), (C), and (D) of such paragraph do not apply.

''(ii) SECURITY.—The term 'security' means an equity security.

''(M) SAVINGS PROVISION.—Notwithstanding any other provision of this paragraph, the Commission may—

''(i) make such adjustments to the pilot program specified in this paragraph as the Commission considers necessary or appropriate to ensure that such program can provide statistically meaningful or reliable results, including adjustments to eliminate selection bias among participants, expand the number of participants eligible to participate in such program, and change the duration of such program for one or more participants; and

''(ii) conduct any other study or pilot program, in conjunction with or separate from the pilot program specified in this paragraph (as such program may be adjusted pursuant to clause (i)), to evaluate quoting or trading in various minimum increments.''.

(b) SUNSET.—Effective on the date that is 5 years after the date of the enactment of this Act, section 11A(c)(6) of the Securities Exchange Act of 1934 (15 U.S.C. 78k–1(c)(6)) is repealed.

TITLE VI—IMPROVING ACCESS TO CAPITAL FOR EMERGING GROWTH COMPANIES ACT

SEC. 601. FILING REQUIREMENT FOR PUBLIC FILING PRIOR TO PUBLIC OFFERING.

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

SEC. 602. GRACE PERIOD FOR CHANGE OF STATUS OF EMERGING GROWTH COMPANIES.

Section 6(e)(1) of the Securities Act of 1933 (15 U.S.C. 77f(e)(1)) is further amended by adding at the end the following: ''An issuer that was an emerging growth company at the time it submitted a confidential registration statement or, in lieu thereof, a publicly filed registration statement for review under this subsection but ceases to be an emerging growth company thereafter shall continue to be treated as an emerging market growth company for the purposes of this subsection through the earlier of the date on which the issuer consummates its initial public offering pursuant to such registrations statement or the end of the 1-year period beginning on the date the company ceases to be an emerging growth company.''

SEC. 603. SIMPLIFIED DISCLOSURE REQUIREMENTS FOR EMERGING GROWTH COMPANIES.

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

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

''(1) REQUIREMENT TO INCLUDE NOTICE ON FORM S–1.—Not later than 30 days after the date of enactment of this subsection, the Securities and Exchange Commission shall revise its general instructions on Form S–1 to indicate that a registration statement filed (or submitted for confidential review) by an issuer prior to an initial public offering may omit financial information for historical periods otherwise required by regulation S–X (17 C.F.R. 210.1–01 et seq.) as of the time of filing (or confidential submission) of such registration statement, provided that—

''(A) the omitted financial information relates to a historical period that the issuer reasonably believes will not be required to be included in the Form S–1 at the time of the contemplated offering; and

''(B) prior to the issuer distributing a preliminary prospectus to investors, such registration statement is amended to include all financial information required by such regulation S–X at the date of such amendment.

''(2) RELIANCE BY ISSUERS.—Effective 30 days after the date of enactment of this subsection, an issuer filing a registration statement (or submitting the statement for confidential review) on Form S–1 may omit financial information for historical periods otherwise required by regulation S–X (17 C.F.R. 210.1–01 et seq.) as of the time of filing (or confidential submission) of such registration statement, provided that—

''(A) the omitted financial information relates to a historical period that the issuer reasonably believes will not be required to be included in the Form S–1 at the time of the contemplated offering; and

''(B) prior to the issuer distributing a preliminary prospectus to investors, such registration statement is amended to include all financial information required by such regulation S–X at the date of such amendment.''.

TITLE VII—SMALL COMPANY DISCLOSURE SIMPLIFICATION ACT

SEC. 701. EXEMPTION FROM XBRL REQUIREMENTS FOR EMERGING GROWTH COMPANIES AND OTHER SMALLER COMPANIES.

(a) EXEMPTION FOR EMERGING GROWTH COMPANIES.—Emerging growth companies are exempted from the requirements to use Extensible Business Reporting Language (XBRL) for financial statements and other periodic reporting required to be filed with the Commission under the securities laws. Such companies may elect to use XBRL for such reporting.

(b) EXEMPTION FOR OTHER SMALLER COMPANIES.—Issuers with total annual gross revenues of less than $250,000,000 are exempt from the requirements to use XBRL for financial statements and other periodic reporting required to be filed with the Commission under the securities laws. Such issuers may elect to use XBRL for such reporting. An exemption under this subsection shall continue in effect until—

(1) the date that is five years after the date of enactment of this Act; or

(2) the date that is two years after a determination by the Commission, by order after conducting the analysis required by section 702, that the benefits of such requirements to such issuers outweigh the costs, but no earlier than three years after enactment of this Act.

(c) MODIFICATIONS TO REGULATIONS.—Not later than 60 days after the date of enactment of this Act, the Commission shall revise its regulations under parts 229, 230, 232, 239, 240, and 249 of title 17, Code of Federal Regulations, to reflect the exemptions set forth in subsections (a) and (b).

SEC. 702. ANALYSIS BY THE SEC.

The Commission shall conduct an analysis of the costs and benefits to issuers described in section 701(b) of the requirements to use XBRL for financial statements and other periodic reporting required to be filed with the Commission under the securities laws. Such analysis shall include an assessment of—

(1) how such costs and benefits may differ from the costs and benefits identified by the Commission in the order relating to interactive data to improve financial reporting (dated January 30, 2009; 74 Fed. Reg. 6776) because of the size of such issuers;

(2) the effects on efficiency, competition, capital formation, and financing and on analyst coverage of such issuers (including any such effects resulting from use of XBRL by investors);

(3) the costs to such issuers of—

(A) submitting data to the Commission in XBRL;

(B) posting data on the website of the issuer in XBRL;

(C) software necessary to prepare, submit, or post data in XBRL; and

(D) any additional consulting services or filing agent services;

(4) the benefits to the Commission in terms of improved ability to monitor securities markets, assess the potential outcomes of regulatory alternatives, and enhance investor participation in corporate governance and promote capital formation; and

(5) the effectiveness of standards in the United States for interactive filing data relative to the standards of international counterparts.

SEC. 703. REPORT TO CONGRESS.

Not later than one year after the date of enactment of this Act, the Commission shall provide the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report regarding—

(1) the progress in implementing XBRL reporting within the Commission;

(2) the use of XBRL data by Commission officials;

(3) the use of XBRL data by investors;

(4) the results of the analysis required by section 702; and

(5) any additional information the Commission considers relevant for increasing transparency, decreasing costs, and increasing efficiency of regulatory filings with the Commission.

SEC. 704. DEFINITIONS.

As used in this title, the terms ''Commission'', ''emerging growth company'', ''issuer'', and ''securities laws'' have the meanings given such terms in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c).

TITLE VIII—RESTORING PROVEN FINANCING FOR AMERICAN EMPLOYERS ACT

SEC. 801. RULES OF CONSTRUCTION RELATING TO COLLATERALIZED LOAN OBLIGATIONS.

Section 13(g) of the Bank Holding Company Act of 1956 (12 U.S.C. 1851(g)) is amended by adding at the end the following new paragraphs:

''(4) COLLATERALIZED LOAN OBLIGATIONS.—

''(A) INAPPLICABILITY TO CERTAIN COLLATERALIZED LOAN OBLIGATIONS.—Nothing in this section shall be construed to require the divestiture, prior to July 21, 2017, of any debt securities of collateralized loan obligations, if such debt securities were issued before January 31, 2014.

''(B) OWNERSHIP INTEREST WITH RESPECT TO COLLATERALIZED LOAN OBLIGATIONS.—A banking entity shall not be considered to have an ownership interest in a collateralized loan obligation because it acquires, has acquired, or retains a debt security in such collateralized loan obligation if the debt security has no indicia of ownership other than the right of the banking entity to participate in the removal for cause, or in the selection of a replacement after removal for cause or resignation, of an investment manager or investment adviser of the collateralized loan obligation.

''(C) DEFINITIONS.—For purposes of this paragraph:

''(i) COLLATERALIZED LOAN OBLIGATION.—The term 'collateralized loan obligation' means any issuing entity of an asset-backed security, as defined in section 3(a)(77) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(77)), that is comprised primarily of commercial loans.

''(ii) REMOVAL FOR CAUSE.—An investment manager or investment adviser shall be deemed to be removed 'for cause' if the investment manager or investment adviser is removed as a result of—

''(I) a breach of a material term of the applicable management or advisory agreement or the agreement governing the collateralized loan obligation;

''(II) the inability of the investment manager or investment adviser to continue to perform its obligations under any such agreement;

''(III) any other action or inaction by the investment manager or investment adviser that has or could reasonably be expected to have a materially adverse effect on the collateralized loan obligation, if the investment manager or investment adviser fails to cure or take reasonable steps to cure such effect within a reasonable time; or

''(IV) a comparable event or circumstance that threatens, or could reasonably be expected to threaten, the interests of holders of the debt securities.''.

TITLE IX—SBIC ADVISERS RELIEF ACT

SEC. 901. ADVISERS OF SBICS AND VENTURE CAPITAL FUNDS.

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

(1) by striking ''No investment adviser'' and inserting the following:

''(1) IN GENERAL.—No investment adviser''; and

(2) by adding at the end the following:

''(2) ADVISERS OF SBICS.—For purposes of this subsection, a venture capital fund includes an entity described in subparagraph (A), (B), or (C) of subsection (b)(7) (other than an entity that has elected to be regulated or is regulated as a business development company pursuant to section 54 of the Investment Company Act of 1940).''.

SEC. 902. ADVISERS OF SBICS AND PRIVATE FUNDS.

Section 203(m) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–3(m)) is amended by adding at the end the following:

''(3) ADVISERS OF SBICS.—For purposes of this subsection, the assets under management of a private fund that is an entity described in subparagraph (A), (B), or (C) of subsection (b)(7) (other than an entity that has elected to be regulated or is regulated as a business development company pursuant to section 54 of the Investment Company Act of 1940) shall be excluded from the limit set forth in paragraph (1).''.

SEC. 903. RELATIONSHIP TO STATE LAW.

Section 203A(b)(1) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–3a(b)(1)) is amended—

(1) in subparagraph (A), by striking ''or'' at the end;

(2) in subparagraph (B), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(C) that is not registered under section 203 because that person is exempt from registration as provided in subsection (b)(7) of such section, or is a supervised person of such person.''.

TITLE X—DISCLOSURE MODERNIZATION AND SIMPLIFICATION ACT

SEC. 1001. SUMMARY PAGE FOR FORM 10–K.

Not later than the end of the 180-day period beginning on the date of the enactment of this Act, the Securities and Exchange Commission shall issue regulations to permit issuers to submit a summary page on form 10–K (17 C.F.R. 249.310), but only if each item on such summary page includes a cross-reference (by electronic link or otherwise) to the material contained in form 10–K to which such item relates.

SEC. 1002. IMPROVEMENT OF REGULATION S–K.

Not later than the end of the 180-day period beginning on the date of the enactment of this Act, the Securities and Exchange Commission shall take all such actions to revise regulation S–K (17 C.F.R. 229.10 et seq.)—

(1) to further scale or eliminate requirements of regulation S–K, in order to reduce the burden on emerging growth companies, accelerated filers, smaller reporting companies, and other smaller issuers, while still providing all material information to investors;

(2) to eliminate provisions of regulation S–K, required for all issuers, that are duplicative, overlapping, outdated, or unnecessary; and

(3) for which the Commission determines that no further study under section 1003 is necessary to determine the efficacy of such revisions to regulation S–K.

SEC. 1003. STUDY ON MODERNIZATION AND SIMPLIFICATION OF REGULATION S–K.

(a) STUDY.—The Securities and Exchange Commission shall carry out a study of the requirements contained in regulation S–K (17 C.F.R. 229.10 et seq.). Such study shall—

(1) determine how best to modernize and simplify such requirements in a manner that reduces the costs and burdens on issuers while still providing all material information;

(2) emphasize a company by company approach that allows relevant and material information to be disseminated to investors without boilerplate language or static requirements while preserving completeness and comparability of information across registrants; and

(3) evaluate methods of information delivery and presentation and explore methods for discouraging repetition and the disclosure of immaterial information.

(b) CONSULTATION.—In conducting the study required under subsection (a), the Commission shall consult with the Investor Advisory Committee and the Advisory Committee on Small and Emerging Companies.

(c) REPORT.—Not later than the end of the 360-day period beginning on the date of enactment of this Act, the Commission shall issue a report to the Congress containing—

(1) all findings and determinations made in carrying out the study required under subsection (a);

(2) specific and detailed recommendations on modernizing and simplifying the requirements in regulation S–K in a manner that reduces the costs and burdens on companies while still providing all material information; and

(3) specific and detailed recommendations on ways to improve the readability and navigability of disclosure documents and to discourage repetition and the disclosure of immaterial information.

(d) RULEMAKING.—Not later than the end of the 360-day period beginning on the date that the report is issued to the Congress under subsection (c), the Commission shall issue a proposed rule to implement the recommendations of the report issued under subsection (c).

(e) RULE OF CONSTRUCTION.—Revisions made to regulation S–K by the Commission under section 1002 shall not be construed as satisfying the rulemaking requirements under this section.

TITLE XI—ENCOURAGING EMPLOYEE OWNERSHIP ACT

SEC. 1101. INCREASED THRESHOLD FOR DISCLOSURES RELATING TO COMPENSATORY BENEFIT PLANS.

Not later than 60 days after the date of the enactment of this Act, the Securities and Exchange Commission shall revise section 230.701(e) of title 17, Code of Federal Regulations, so as to increase from $5,000,000 to $10,000,000 the aggregate sales price or amount of securities sold during any consecutive 12-month period in excess of which

the issuer is required under such section to deliver an additional disclosure to investors. The Commission shall index for inflation such aggregate sales price or amount every 5 years to reflect the change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics, rounding to the nearest $1,000,000.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. FITZPATRICK) and the gentlewoman from California (Ms. WATERS) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania.

GENERAL LEAVE

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to submit extraneous materials for the RECORD on H.R. 5405, as amended, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, I yield myself such time as I may consume.

I am the proud sponsor, Mr. Speaker, of a package of bills we are considering this evening. This legislation contains the language of nearly a dozen jobs bills that have either passed the Financial Services Committee or have passed this House with broad bipartisan support. The Senate should immediately take up and pass this package, though recent history doesn't give us much hope. The Senate's Democratic leadership is already sitting on some 40 jobs bills, including several that we are considering here this evening.

Mr. Speaker, this is a jobs bill. By repealing and reforming burdensome regulations we can set businesses and working capital free to invest in the economy and to create jobs. For example, Wegmans, a grocery store chain that employs 44,000 people, including 8,200 in my home State of Pennsylvania, needs this regulatory relief to retain their best employees while allowing workers to invest in the company and invest in their own futures.

Biotech is an extremely important and vibrant industry in southeast Pennsylvania employing thousands and working toward treatments and cures for devastating diseases like diabetes, Alzheimer's, cancer, and HIV/AIDS. Former Representative Jim Greenwood, current president of BIO, put it this way:

> For far too long, small public companies have been hamstrung by one-size-fits-all regulations that stifle their growth. This legislation will foster innovation and stimulate groundbreaking research and development at emerging companies in Pennsylvania and across our Nation.

Finally, Mr. Speaker, there are companies in and around Bucks County, Pennsylvania, that have the resources to invest right now in small businesses. This bill will allow them to invest more of their resources in advancing American workers instead of spending money complying with needless regulations in Washington.

These are just some of the examples of how this bill provides necessary relief to those that we are counting on to power our economy as it continues to recover.

Mr. Speaker, I spent the summer touring 100 businesses in my district, and, despite my frustrations with Washington, I remain optimistic, as I know our recovery is in the right hands as long as American workers and entrepreneurs are in the driver's seat.

I want to thank the Republican and Democrat authors of the underlying language, as well as the chairman for his leadership.

I urge my colleagues to support this legislation, and I hold out hope that the Senate will take action on this bill and the dozens of other jobs bills that are stacking up in their Chamber like cordwood.

I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today not only in opposition to this legislation but to a process that has been conducted in secret and in bad faith.

Tonight, the House will debate two legislative packages that have been brought to the floor over the objections of the minority and without regard for due process or the opportunity for robust debate.

Mr. Speaker, make no mistake: these measures are being advanced for no other reason than political gain.

The bill we consider presently is H.R. 5405, a newly created package that combines 11—11—separate Republican-authored bills. These complex and wide-ranging measures have been hastily merged together and rushed to the floor for a vote. The expedited process in which the Republicans have engaged, over my objections, have denied Members the opportunity to debate how these pieces will interact with each other and the problems that may occur as a result.

Keep in mind that H.R. 5405 is so far-reaching that it amends the Securities Act, the Commodity Exchange Act, the Securities Exchange Act, the JOBS Act, the Bank Holding Company Act, and the Investment Advisers Act, not to mention that many provisions interact with the Dodd-Frank Act.

With this omnibus proposal touching so many different aspects of our directives and securities laws, Members ought to have the chance to offer amendments on the floor and debate whether this laundry list of provisions is the right approach.

□ 1945

Again, this is a substantial piece of legislation with the package requiring three separate reports by the SEC and another robust cost-benefit analysis.

Keep in mind that the majority is placing all these new rule-writing and reporting requirements on the SEC at the same time that they are denying the Commission the funding they need to do their job efficiently and be the tough sheriff for Wall Street that we need them to be.

I, for one, oppose this last-minute attempt to circumvent the legislative process. At the eleventh hour, it seems the majority is using all the tricks at their disposal to prove to the American people that they are more than the do-nothing Republican Congress. I think the American people are smarter than that.

Again, I think the American people would agree that Members of this House should be afforded the opportunity to discuss what is in these packages, offer amendments, and have a robust debate on these bills.

Tonight, in a mad dash for political victory, that fundamental element of democracy will be thwarted; furthermore, the chairman has broken with the tradition of a bipartisan suspension vote process by putting forth more than 15 pieces of legislation in exchange for one Democratic bill. This is just unacceptable.

Unfortunately, as with flood insurance legislation, the Export-Import Bank, and the Terrorism Risk Insurance Act, the ideological wing of the Republican Party is unable and unwilling to work together to get things done for our Nation's citizens. I am dismayed that they continue to put partisan interests ahead of job creation, certainty for our businesses, and the democratic process.

Mr. Speaker, to preserve the principle of fairness for the minority and to ensure the democratic process continues as it has for centuries, I am, indeed, opposing this legislation as well as the Insurance Capital Standards Clarification Act that we will consider shortly.

I believe that if gone unchecked this type of legislating could increase and soon become commonplace. We must not circumvent our time-honored traditions for political gain.

I reserve the balance of my time.

Mr. FITZPATRICK. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. HULTGREN), the author and sponsor of title XI in this jobs bill.

Mr. HULTGREN. Mr. Speaker, today, I am proud to speak in support of H.R. 5405, and I do want to thank Representative FITZPATRICK from Pennsylvania for his important work on this bill. Among other things, this bill will help encourage capital formation at small and emerging businesses. These tools helps businesses expand their operation and, most importantly, hire more workers.

I am especially pleased that the bill includes my own legislation, the Encouraging Employee Ownership Act of 2014, or EEOA. This bipartisan provision would make it easier for companies in Illinois and nationwide to let hardworking employees own a stake in the business they are a part of.

I have learned firsthand from my constituents in the 14th Congressional

District about the many benefits of employee ownership. When you walk into Scot Forge, an entirely employee-owned manufacturer in my district, there is a noticeable difference in the energy of the employees, from upper management on down to the shop floor.

When employees have a stake in the company they work for, their sense of ownership over details large and small makes a real difference to their bottom line and, more importantly, to their quality of life.

The business, in turn, receives a large boost in productivity, enabling them to expand their reach and invest in new technologies and equipment.

Unfortunately, some companies are shying away from offering employee ownership because of regulations that limit how much ownership they can safely offer.

SEC rule 701 mandates various disclosures for privately-held companies that sell more than $5 million worth of securities for employee compensation. In 1999, the SEC arbitrarily set this threshold at $5 million without a concrete explanation why.

For businesses who want to offer more stock to more employees, this rule forces those businesses to make confidential disclosures that could greatly damage future innovations if they fell into the wrong hands.

The SEC's original rulemaking acknowledged this, and some voiced their concern that a disgruntled employee could use this confidential information to harm their former employer; further, it is costly to prepare these disclosures just so a business can offer the benefits of ownership to their employees. My bill, included in H.R. 5405, would address this problem.

As the Chamber of Commerce, who supports this legislation, has explained, this legislation would ''help give employees of American businesses a greater chance to participate in the success of their company.''

I want to thank Representatives BACHUS, FITZPATRICK, GARRETT, HURT, MULVANEY, ROSS, and STIVERS for their support.

It is also worth noting that, in good faith, both sides agree to lower the threshold to $10 million instead of the $20 million the bill originally included. I am glad we could iron out our differences and put forward a strong bill.

I want take thank my colleagues on the other side of the aisle, including Representative JARED POLIS of Colorado, for his support, and Representative JOHN DELANEY of Maryland, for his hard work on this bill.

The question remains: Do we want businesses to reserve employee ownership only for senior-level executives because of concerns about costs or the dissemination of confidential information?

Under my bill, they will not be forced to make that decision because of this easier and safer method of offering ownership to more employees.

I encourage all my colleagues to support this legislation.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

Some Members will come to the floor, and they will support this legislation because they may have one bill in this package, and I understand that. Some Members may have cosponsored a bill or worked on one bill. These Members, no matter how well-intended they are, cannot speak to the other 10 bills in the package because they don't know what those other 10 bills are all about.

Many don't have a clue about these other bills. Members will not even remember how they voted for or against bills that have been placed in this package.

What is being asked of the Members of this House is to forget about what really works for all Members. What they are asking Members to do at the last minute, before we close down this session, is to vote for a bill where they have packaged this large number of bills without understanding what they are or what is in them.

Just vote for them because we want a political package that says, ''We are doing something about jobs. We are going to present this as a jobs package. We are going to do more than anybody else for jobs.''

This is unreasonable. It is actually unconscionable. They should not put this burden on the Members.

I am going to ask Members to vote ''no'' on this bill, and I reserve the balance of my time.

Mr. FITZPATRICK. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. HURT), vice chairman of the Capital Markets Subcommittee of the Financial Services Committee.

Mr. HURT. I thank Mr. FITZPATRICK and the chairman of the Financial Services Committee for their leadership on this issue.

Mr. Speaker, for the record, all 11 bills in this package have been either voted on in full committee or on this floor with bipartisan support; so the idea that these have never been heard before and that no one knows what is in them is not accurate.

I rise in support of this good bill, the Promoting Job Creation and Reducing Small Business Burdens Act. With millions of Americans still out of work, our top focus must be enacting policies that help spur job growth throughout our country.

Unfortunately, I continue to hear from my constituents in Virginia's Fifth District about the impact of costly regulations on job creation, especially those regulations that disproportionately affect smaller public companies that wish to access capital in our public markets.

One such regulation is related to the use of eXtensible Business Reporting Language, or XBRL, which was mandated by the Securities and Exchange Commission in 2009. While the SEC's rule is well-intended, this regulation has become another example of a requirement where the costs outweigh the potential benefits.

These small companies spend tens of thousands of dollars or more complying with the regulation, yet there is substantial evidence that fewer than 10 percent of investors actually use XBRL, further diminishing its potential benefits.

That is why Representative TERRI SEWELL and I crafted the bipartisan Small Company Disclosure Simplification Act which is incorporated into title VII of the bill we are considering today.

This provision will provide an optional exemption for emerging growth companies and smaller public companies from the requirement to file their information in XBRL with the SEC, the same information which is already filed with the SEC in a readily accessible format; additionally, this bill requires the SEC to perform a cost-benefit analysis on the rule's impact on smaller public companies, something the SEC failed to adequately address in the original rule.

Whether a supporter or a skeptic of XBRL, these provisions will help provide a pathway for the SEC to focus on developing a system of disclosure for smaller companies that eliminate unnecessary costs while achieving greater benefits.

I ask my colleagues to join me today in voting on this good bill so that we can continue to promote capital access in our public markets and spur job growth for working Americans across our country.

Ms. WATERS. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. ELLISON).

Mr. ELLISON. I thank the gentlewoman.

Mr. Speaker, no Member of Congress is ever going to come down to the floor and tell you, ''This bill that I'm offering is going to cut jobs, empower the most powerful, and weaken people who are already in precarious economic circumstances.''

Nobody is going to come and offer you the anti-jobs bill. It is not just going to happen. Every Member who comes down here is going to proclaim, ''Jobs, jobs, jobs and, if you do this right now, jobs''—chicken in every pot kind of talk—but we have a certain way that we do things here, and that is what the suspension calendar is for, noncontroversial legislation.

It is for things that nobody has a real point of opposing. It is not where you bring forth a bill of complicated derivatives legislation and where Members should offer and debate amendments, and there should be an open rule.

This bill actually combines a whole range of very complicated financial information. This is the kind of bill that people decry and why they are angry with Washington, D.C., when they hear that they are passing all types of bills that have sweeping implications for Americans all over this country and people don't even know about it.

The fact is that there are at least 15 separate pieces of legislation contained in what is being offered as, essentially, a noncontroversial bill. This bill is anything but noncontroversial.

I want to hasten to add, Mr. Speaker, that there might be pieces of legislation contained in this megabill that they are offering that have merit. I am not even saying that it is 100 percent bad. I am simply saying that it is highly controversial and it is extremely complicated.

I happen to remember being on the floor when we debated the Affordable Care Act. My colleagues on the other side made a huge point of saying, ''There are 2,000 pages, and there's five stacks.'' They made this case that there was this big, giant, voluminous bill and people didn't know what was in it and they were going to be called upon to pass this huge bill the public wouldn't really understand. They raised a policy point.

My point to them right now is that if passing a bill that is voluminous and that people don't understand is not a good thing, then don't do it. You can hardly put yourself in the position of doing exactly what you accuse your opponents of doing.

We should be taking these bills one by one and having amendments and debating them. I can tell you there are a number of bills in here that I personally am concerned about.

The Inter-Affiliate Swap Clarification Act is a bill that I believe would diminish the protections to the public of derivatives trading. The Customer Protection End User Relief Act may not have merit, but it is a complicated piece of legislation, and anyone who wants to tune in and watch the debate so they can understand what their Congress is doing ought to be able to do so. We shouldn't just package it up and sweep it through on some big vote.

I am urging a very strong ''no'' vote because the process is all wrong. If these bills have merit, let them stand on their own two feet. Please don't run this thing down our throat in the late evening hours or even in the morning.

Let's deal with these bills in a careful way that this country deserves. Let's say to the American people that this complicated financial legislation deserves debate, rebuttal, and amendment, and we need an open rule to do this thing right. There is no need to rush this thing through.

I just want to end the way that I started, Mr. Speaker. Everybody declares they are for jobs. Everybody says, ''Do what I am asking you to do for jobs.'' That will be the case whether it is some sort of big, giant loophole for a huge oil company who is just going to pocket the money, and it is going to be the case if somebody wants to get rid of health and safety regulations. It is going to be the case in nearly any case that we want to talk about here.

□ 2000

But good legislation stands scrutiny, withstands debate, and certainly wouldn't be afraid of standing on its own, which is exactly what this piece of legislation does not offer.

Mr. Speaker, I urge a very strong ''no'' vote for this complicated bill that involves very, very serious financial legislation that really needs to be handled one bill at a time.

Mr. FITZPATRICK. Mr. Speaker, I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

You have heard from me and Congressman ELLISON why this process is a process that we cannot in any way allow to take place without the kind of criticism that we are putting forth about this. This rises to the point of being shameful. This rises to the point of being disrespectful. This rises to the point of placing all of our colleagues in a position where, if anybody asked them about what is in this bill, if any of their constituents wanted to know what they voted on, they would not be able to tell them so.

They would not be able to tell them so because most of the Members, for the most part, that are going to come to this floor and vote on this bill just simply have not had the time, even if they had the background, to look into this bill. They have not had the time to ask others in their caucus about this bill. They have not had time to ask any of the advocacy organizations about this bill, for or against.

Now I understand again, and I want to repeat this, why some Members feel it absolutely necessary even though they don't like it. They have got one bill in here that they have worked on, that they have put a lot of time in and that they believe in, and they want desperately to have their bill passed.

So they are going to swallow what is being done to them in order to get, perhaps, an opportunity to get their bill, but they don't like it. And they will tell you, not on this floor, but behind the scenes, that they don't like it. They don't like the way they are being treated.

As a matter of fact, if we had the time for a real debate on this floor tonight and we asked any of the Members on the opposite side of the aisle to go down and debate these 11 bills that are in this first package, you wouldn't find two or three that would be able to do it. And the same thing on the second bill that is going to come up that talks about some issues in the insurance industry.

This should not happen. And the fact that the suspensions process has been hijacked is something that this floor and this Congress is going to have to deal with for the future. This should not happen.

We know why it was intended, why suspensions are necessary to expedite or when you have noncontroversial bills, but it was not intended for this kind of hijacking. It was not intended where you could take a whole bundle of bills, throw them into one, behind one bill that was hastily put together, that is going to do a lot of damage, and somehow call it a legitimate suspension bill.

So, Mr. Speaker and Members, let this be a lesson to all of us that we are going to have to pay attention to the rules of suspension; and if there needs to be a modification or change that will not allow this kind of thing to happen, some of us are going to have to take up leadership in doing that modification, coming forth with some new kind of ruling that will not allow this to happen.

And more than anything else, if my friends on the opposite side of the aisle get away with this, we can just throw our hands up because what they will do for the future is save all the difficult bills, add to it a bill, and then package them all and put Members in the kind of position that they are trying to put them in tonight.

It is unfair. It should not happen, and I am going to ask for a ''no'' vote on this bill.

Mr. Speaker, I yield back the balance of my time.

Mr. FITZPATRICK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to address an objection raised by my friend from Minnesota (Mr. ELLISON). He called this bill that is before us, H.R. 5405, a megabill.

I would like to note for the RECORD that the bill is 39 pages, as opposed to Dodd-Frank, which accumulated about 2,300 pages. This is a 39-page bill, and it is written in plain English; everybody understands it, composed of 11 bills, 11 sub-bills, subtitles. Each one of those bills had its own hearing in the Financial Services Committee, and those hearings had witnesses and those bills had markup hearings. At those markup hearings, there was opportunity for amendment and debate.

So what I am saying, Mr. Speaker, is each one of these 11 bills make up a 39-page bill, divided approximately four pages per bill, written in plain English everybody understands, all debated quite a bit already in this session. Those bills, when they were sponsored, they were bipartisan in sponsorship. They passed the House in bipartisan fashion. And before that, they were before the committee with their bipartisan cosponsors and passed the committee in bipartisan fashion.

So this is not a megabill, Mr. Speaker. This is actually just the opposite. This is a plain-English bill of bipartisan fashion that has already been debated and vetted fully in the committee and in this House.

So to take the idea that you could put 11 bills that are bipartisan and passed overwhelmingly together and it is going to produce results and, yes, Mr. ELLISON, jobs for the American people, unleash the power of the American economy to put people back to work, I am not sure how that becomes a bad thing. I think that is a very good thing, because my friends on the other

side of the aisle are talking about process and procedure and debate and amendments. We are talking about results.

Now Ms. WATERS of California, the ranking member, has raised two objections. First she called this a partisan effort. Eleven bipartisan bills, hardly partisan, all passed the House or committee with bipartisan support.

The second thing that Ms. WATERS has identified is an objection to this. She calls this a mad dash for political gain. Mr. Speaker, this is a mad dash for sensible regulation for small businesses in Bucks County, in Pennsylvania, and across our Nation. This is a mad dash to get the Senate to do something, to do anything, to help American job creators. Mr. Speaker, this is a mad dash to get results.

As I said, there is a lot of talk on this floor and in this town about ending the partisan divide, about getting people to work together. These are bipartisan bills that produce results, that get things done. This is a good bill.

Of the 11 bills that make it up, 10 of them were supported by Ms. WATERS and voted for by Ms. WATERS. The 11th bill, that she objected to, her witness in the hearing identified some issues with that 11th bill, and we actually negotiated against ourselves. We made changes to the 11th bill to make it more palatable so that everybody could come together around a job-creation bill. That is the bill that is before the House. That is the one that we are asking the Members to support.

So in closing, Mr. Speaker, a vote for this legislation is a vote to support emerging growth companies. It is a vote for small businesses. It is a vote for entrepreneurs. It is a vote for the American worker.

These are the people we are counting on to drive American progress and economic progress, to fuel the next American century. I urge my colleagues to support this measure and pass these bills.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. FITZPATRICK) that the House suspend the rules and pass the bill, H.R. 5405, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. ELLISON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

AMERICAN SAVINGS PROMOTION ACT

Mr. FITZPATRICK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3374) to provide for the use of savings promotion raffle products by financial institutions to encourage savings, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3374

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''American Savings Promotion Act''.

SEC. 2. FINDINGS.

Congress finds that—

(1) the annual savings rate in the United States was 4.1 percent in 2012;

(2) more than 40 percent of American households lack the savings to cover basic expenses for 3 months, if an unexpected event leads to a loss of stable income;

(3) personal savings provide Americans with the financial resources to meet future needs, including higher education and homeownership, while also providing a safety net to weather unexpected financial shocks;

(4) prize-linked savings products are typical savings products offered by financial institutions, like savings accounts, certificates of deposit, and savings bonds, with the added feature of offering chances to win prizes based on deposit activity;

(5) the State of Michigan was the first State to allow credit unions to offer prize-linked savings products, and in 2009 launched the first large-scale prize-linked savings product in the United States;

(6) the States of Connecticut, Michigan, Maine, Maryland, Nebraska, North Carolina, Rhode Island, and Washington all have laws that allow financial institutions to offer prize-linked savings products;

(7) in the States of Michigan and Nebraska, more than 42,000 individuals have opened prize-linked savings accounts and saved more than $72,000,000;

(8) prize-linked savings products have been shown to successfully attract non-savers, the asset poor, and low-to-moderate income groups, providing individuals with a new tool to build personal savings; and

(9) encouraging personal savings is in the national interest of the United States.

SEC. 3. AMENDMENT TO DEFINITIONS OF "LOTTERY".

(a) NATIONAL BANKS.—Section 5136B(c) of the Revised Statutes of the United States (12 U.S.C. 25a(c)) is amended—

(1) in paragraph (2), by inserting '', other than a savings promotion raffle,'' before ''whereby''; and

(2) by adding at the end the following:

''(4) The term 'savings promotion raffle' means a contest in which the sole consideration required for a chance of winning designated prizes is obtained by the deposit of a specified amount of money in a savings account or other savings program, where each ticket or entry has an equal chance of being drawn, such contest being subject to regulations that may from time to time be promulgated by the appropriate prudential regulator (as defined in section 1002 of the Consumer Financial Protection Act of 2010 (12 U.S.C. 5481)).''.

(b) FEDERAL RESERVE BANKS.—Section 9A(c) of the Federal Reserve Act (12 U.S.C. 339(c)) is amended—

(1) in paragraph (2), by inserting '', other than a savings promotion raffle,'' before ''whereby''; and

(2) by adding at the end the following:

''(4) The term 'savings promotion raffle' means a contest in which the sole consideration required for a chance of winning designated prizes is obtained by the deposit of a specified amount of money in a savings account or other savings program, where each ticket or entry has an equal chance of being drawn, such contest being subject to regulations that may from time to time be promulgated by the appropriate prudential regulator (as defined in section 1002 of the Consumer Financial Protection Act of 2010 (12 U.S.C. 5481)).''.

(c) INSURED DEPOSITORY INSTITUTIONS.—Section 20(c) of the Federal Deposit Insurance Act (12 U.S.C. 1829a(c)) is amended—

(1) in paragraph (2), by inserting '', other than a savings promotion raffle,'' before ''whereby''; and

(2) by adding at the end the following:

''(4) The term 'savings promotion raffle' means a contest in which the sole consideration required for a chance of winning designated prizes is obtained by the deposit of a specified amount of money in a savings account or other savings program, where each ticket or entry has an equal chance of being drawn, such contest being subject to regulations that may from time to time be promulgated by the appropriate prudential regulator (as defined in section 1002 of the Consumer Financial Protection Act of 2010 (12 U.S.C. 5481)).''.

(d) FEDERAL SAVINGS AND LOAN ASSOCIATIONS.—Section 4(e)(3) of the Home Owners' Loan Act (12 U.S.C. 1463(e)(3)) is amended—

(1) in subparagraph (B), by inserting '', other than a savings promotion raffle,'' after ''arrangement''; and

(2) by adding at the end the following:

''(D) SAVINGS PROMOTION RAFFLE.—The term 'savings promotion raffle' means a contest in which the sole consideration required for a chance of winning designated prizes is obtained by the deposit of a specified amount of money in a savings account or other savings program, where each ticket or entry has an equal chance of being drawn, such contest being subject to regulations that may from time to time be promulgated by the appropriate prudential regulator (as defined in section 1002 of the Consumer Financial Protection Act of 2010 (12 U.S.C. 5481)).''.

SEC. 4. CRIMINAL PROVISIONS.

(a) IN GENERAL.—Chapter 61 of title 18, United States Code, is amended by adding at the end the following:

''§ 1308. Limitation of applicability

''(a) LIMITATION OF APPLICABILITY.—Sections 1301, 1302, 1303, 1304, and 1306 shall not apply—

''(1) to a savings promotion raffle conducted by an insured depository institution or an insured credit union; or

''(2) to any activity conducted in connection with any such savings promotion raffle, including, without limitation, to the—

''(A) transmission of any advertisement, list of prizes, or other information concerning the savings promotion raffle;

''(B) offering, facilitation, and acceptance of deposits, withdrawals, or other transactions in connection with the savings promotion raffle;

''(C) transmission of any information relating to the savings promotion raffle, including account balance and transaction information; and

''(D) deposit or transmission of prizes awarded in the savings promotion raffle as well as notification or publication thereof.

''(b) DEFINITIONS.—In this section—

''(1) the term 'insured credit union' shall have the meaning given the term in section 101 of the Federal Credit Union Act (12 U.S.C. 1752);

''(2) the term 'insured depository institution' shall have the meaning given the term in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813); and