here as Members of Congress, regardless, actually, of who is in the White House, what we have the obligation to affect is to guarantee that we will never send our servicemembers into an unfair fight, that we will provide them with the training, the equipment, and the numbers they need to run up the score on the enemy with decisive and overwhelming force.

Mr. Speaker, that is what this resolution is about, and I urge my colleagues to support its adoption.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Wyoming (Ms. CHENEY) that the House suspend the rules and agree to the resolution, H. Res. 994.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

JOBS AND INVESTOR CONFIDENCE ACT OF 2018

Mr. HENSARLING. Mr. Speaker, I move to suspend the rules and pass the bill (S. 488) to increase the threshold for disclosures required by the Securities and Exchange Commission relating to compensatory benefit plans, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

S. 488

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''JOBS and Investor Confidence Act of 2018''.

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

TITLE I—HELPING ANGELS LEAD OUR STARTUPS

SEC. 101. DEFINITION OF ANGEL INVESTOR GROUP.

As used in this title, the term ''angel investor group'' means any group that—

(1) is composed of accredited investors interested in investing personal capital in early-stage companies;

(2) holds regular meetings and has defined processes and procedures for making investment decisions, either individually or among the membership of the group as a whole; and

(3) is neither associated nor affiliated with brokers, dealers, or investment advisers.

SEC. 102. CLARIFICATION OF GENERAL SOLICITATION.

(a) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Securities and Exchange Commission shall revise Regulation D of its rules (17 C.F.R. 230.500 et seq.) to require that in carrying out the prohibition against general solicitation or general advertising contained in section 230.502(c) of title 17, Code of Federal Regulations, the prohibition shall not apply to a presentation or other communication made by or on behalf of an issuer which is made at an event—

(1) sponsored by—

(A) the United States or any territory thereof, by the District of Columbia, by any State, by a political subdivision of any State or territory, or by any agency or public instrumentality of any of the foregoing;

(B) a college, university, or other institution of higher education;

(C) a nonprofit organization;

(D) an angel investor group;

(E) a venture forum, venture capital association, or trade association; or

(F) any other group, person or entity as the Securities and Exchange Commission may determine by rule;

(2) where any advertising for the event does not reference any specific offering of securities by the issuer;

(3) the sponsor of which—

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

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

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

(D) does not receive any compensation for making introductions between investors attending the event and issuers, or for investment negotiations between such parties;

(E) makes readily available to attendees a disclosure not longer than 1 page in length, as prescribed by the Securities and Exchange Commission, describing the nature of the event and the risks of investing in the issuers presenting at the event; and

(F) does not receive any compensation with respect to such event that would require registration of the sponsor as a broker or a dealer under the Securities Exchange Act of 1934, or as an investment advisor under the Investment Advisers Act of 1940; and

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

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

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

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

(D) the intended use of proceeds of the offering.

(b) RULE OF CONSTRUCTION.—Subsection (a) may only be construed as requiring the Securities and Exchange Commission to amend the requirements of Regulation D with respect to presentations and communications, and not with respect to purchases or sales.

(c) NO PRE-EXISTING SUBSTANTIVE RELATIONSHIP BY REASON OF EVENT.—Attendance at an event described under subsection (a) shall not qualify, by itself, as establishing a pre-existing substantive relationship between an issuer and a purchaser, for purposes of Rule 506(b).

(d) DEFINITION OF ISSUER.—For purposes of this section and the revision of rules required under this section, the term ''issuer'' means an issuer that is a business, is not in bankruptcy or receivership, is not an investment company, and is not a blank check, blind pool, or shell company.

TITLE II—CREDIT ACCESS AND INCLUSION

SEC. 201. POSITIVE CREDIT REPORTING PERMITTED.

(a) IN GENERAL.—Section 623 of the Fair Credit Reporting Act (15 U.S.C. 1681s–2) is amended by adding at the end the following new subsection:

''(f) FULL-FILE CREDIT REPORTING.—

''(1) IN GENERAL.—Subject to the limitations in paragraphs (2) through (4) and notwithstanding any other provision of law, a person or the Secretary of Housing and Urban Development may furnish to a consumer reporting agency information relating to the performance of a consumer in making payments—

''(A) under a lease agreement with respect to a dwelling, including such a lease in which the Department of Housing and Urban Development provides subsidized payments for occupancy in a dwelling; or

''(B) pursuant to a contract for a utility or telecommunications service.

''(2) LIMITATION.—Information about a consumer's usage of any utility services provided by a utility or telecommunication firm may be furnished to a consumer reporting agency only to the extent that such information relates to payment by the consumer for the services of such utility or telecommunication service or other terms of the provision of the services to the consumer, including any deposit, discount, or conditions for interruption or termination of the services.

''(3) PAYMENT PLAN.—An energy utility firm, telephone company, or wireless provider may not report payment information to a consumer reporting agency with respect to an outstanding balance of a consumer as late if—

''(A) the energy utility firm, telephone company, or wireless provider and the consumer have entered into a payment plan (including a deferred payment agreement, an arrearage management program, or a debt forgiveness program) with respect to such outstanding balance; and

''(B) the consumer is meeting the obligations of the payment plan, as determined by the energy utility firm, telephone company, or wireless provider.

''(4) RELATION TO STATE LAW.—Notwithstanding section 625, this subsection shall not preempt any law of a State with respect to furnishing to a consumer reporting agency information relating to the performance of a consumer in making payments pursuant to a contract for a utility or telecommunications service.

''(5) DEFINITIONS.—In this subsection, the following definitions shall apply:

''(A) ENERGY UTILITY FIRM.—The term 'energy utility firm' means an entity that provides gas or electric utility services to the public.

''(B) UTILITY OR TELECOMMUNICATION FIRM.—The term 'utility or telecommunication firm' means an entity that provides utility services to the public through pipe, wire, landline, wireless, cable, or other connected facilities, or radio, electronic, or similar transmission (including the extension of such facilities).''.

(b) LIMITATION ON LIABILITY.—Section 623(c) of the Consumer Credit Protection Act (15 U.S.C. 1681s–2(c)) is amended—

(1) in paragraph (2), by striking ''or'' at the end;

(2) by redesignating paragraph (3) as paragraph (4); and

(3) by inserting after paragraph (2) the following new paragraph:

''(3) subsection (f) of this section, including any regulations issued thereunder; or''.

(c) HUD RULEMAKING.—Not later than the end of the 8-month period following the date of the enactment of this Act, the Secretary of Housing and Urban Development shall issue regulations directing public housing agencies to develop procedures and capacity to—

(1) ensure the complete and accurate reporting of data regarding tenants of public housing and families assisted under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) when furnishing information to a consumer reporting agency pursuant to section 623(f) of the Fair Credit Reporting Act; and

(2) handle complaints with respect to such reporting.

(d) GAO STUDY AND REPORT.—Not later than 2 years after the date that final rules are issued pursuant to subsection (c), the Comptroller General of the United States shall submit to Congress a report on the impact of furnishing information pursuant to subsection (f) of section 623 of the Fair Credit Reporting Act (15 U.S.C. 1681s–2) (as added by this section) on consumers.

(e) APPLICABILITY.—The amendment by subsection (a) shall not apply to a consumer in connection with a lease in which the Department of Housing and Urban Development provides subsidized payments for occupancy in a dwelling until the date on which final rules are issued pursuant to subsection (c).

TITLE III—SMALL BUSINESS MERGERS, ACQUISITIONS, SALES, AND BROKERAGE SIMPLIFICATION

SEC. 301. 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).

''(iii) Engages on behalf of any party in a transaction involving a shell company, other than a business combination related shell company.

''(iv) Directly, or indirectly through any of its affiliates, provides financing related to the transfer of ownership of an eligible privately held company.

''(v) Assists any party to obtain financing from an unaffiliated third party without—

''(I) complying with all other applicable laws in connection with such assistance, including, if applicable, Regulation T (12 C.F.R. 220 et seq.); and

''(II) disclosing any compensation in writing to the party.

''(vi) Represents both the buyer and the seller in the same transaction without providing clear written disclosure as to the parties the broker represents and obtaining written consent from both parties to the joint representation.

''(vii) Facilitates a transaction with a group of buyers formed with the assistance of the M&A broker to acquire the eligible privately held company.

''(viii) Engages in a transaction involving the transfer of ownership of an eligible privately held company to a passive buyer or group of passive buyers. For purposes of the preceding sentence, a buyer that is actively involved in managing the acquired company is not a passive buyer, regardless of whether such buyer is itself owned by passive beneficial owners.

''(ix) Binds a party to a transfer of ownership of an eligible privately held company.

''(C) DISQUALIFICATIONS.—An M&A broker is not exempt from registration under this paragraph if such broker is subject to—

''(i) suspension or revocation of registration under paragraph (4);

''(ii) a statutory disqualification described in section 3(a)(39);

''(iii) a disqualification under the rules adopted by the Commission under section 926 of the Investor Protection and Securities Reform Act of 2010 (15 U.S.C. 77d note); or

''(iv) a final order described in paragraph (4)(H).

''(D) 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.

''(E) DEFINITIONS.—In this paragraph:

''(i) BUSINESS COMBINATION RELATED SHELL COMPANY.—The term 'business combination related shell company' means a shell company that is formed by an entity that is not a shell company—

''(I) solely for the purpose of changing the corporate domicile of that entity solely within the United States; or

''(II) solely for the purpose of completing a business combination transaction (as defined under section 230.165(f) of title 17, Code of Federal Regulations) among one or more entities other than the company itself, none of which is a shell company.

''(ii) 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 corporate officer of a corporation or limited liability company, and exercises executive responsibility (or has similar status or functions);

''(II) has the right to vote 25 percent or more of a class of voting securities or the power to sell or direct the sale of 25 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, 25 percent or more of the capital.

''(iii) ELIGIBLE PRIVATELY HELD COMPANY.—The term 'eligible privately held company' means a privately held 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.

For purposes of this subclause, the Commission may by rule modify the dollar figures if the Commission determines that such a modification is necessary or appropriate in the public interest or for the protection of investors.

''(iv) 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 fiscal year-end financial statements of the issuer of the securities as customarily prepared by the management of the issuer in the normal course of operations and, if the financial statements of the issuer are audited, reviewed, or compiled, any related statement by the independent accountant, 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.

''(v) SHELL COMPANY.—The term 'shell company' means a company that at the time of a transaction with an eligible privately held company—

''(I) has no or nominal operations; and

''(II) has—

''(aa) no or nominal assets;

''(bb) assets consisting solely of cash and cash equivalents; or

''(cc) assets consisting of any amount of cash and cash equivalents and nominal other assets.

''(F) INFLATION ADJUSTMENT.—

''(i) IN GENERAL.—On the date that is 5 years after the date of the enactment of this paragraph, and every 5 years thereafter, each dollar amount in subparagraph (E)(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. 302. EFFECTIVE DATE.

The amendment made by this title shall take effect on the date that is 90 days after the date of the enactment of this Act.

TITLE IV—FAIR INVESTMENT OPPORTUNITIES FOR PROFESSIONAL EXPERTS

SEC. 401. DEFINITION OF ACCREDITED INVESTOR.

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

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

(2) in subparagraph (A) (as so redesignated), by striking ''; or'' and inserting a semicolon, and inserting after such subparagraph the following:

''(B) any natural person whose individual net worth, or joint net worth with that person's spouse, exceeds $1,000,000 (which amount, along with the amounts set forth in subparagraph (C), shall be adjusted for inflation by the Commission every 5 years to the nearest $10,000 to reflect the change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics) where, for purposes of calculating net worth under this subparagraph—

''(i) the person's primary residence shall not be included as an asset;

''(ii) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and

''(iii) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability;

''(C) any natural person who had an individual income in excess of $200,000 in each of the 2 most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

''(D) any natural person who is currently licensed or registered as a broker or investment adviser by the Commission, the Financial Industry Regulatory Authority, or an equivalent self-regulatory organization (as defined in section 3(a)(26) of the Securities Exchange Act of 1934), or the securities division of a State or the equivalent State division responsible for licensing or registration of individuals in connection with securities activities;

''(E) any natural person the Commission determines, by regulation, to have demonstrable education or job experience to qualify such person as having professional knowledge of a subject related to a particular investment, and whose education or job experience is verified by the Financial Industry Regulatory Authority or an equivalent self-regulatory organization (as defined in section 3(a)(26) of the Securities Exchange Act of 1934); or''.

(b) RULEMAKING.—The Commission shall revise the definition of accredited investor under Regulation D (17 C.F.R. 230.501 et seq.) to conform with the amendments made by subsection (a).

TITLE V—FOSTERING INNOVATION

SEC. 501. TEMPORARY EXEMPTION FOR LOW-REVENUE ISSUERS.

Section 404 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7262) is amended by adding at the end the following:

''(d) TEMPORARY EXEMPTION FOR LOW-REVENUE ISSUERS.—

''(1) LOW-REVENUE EXEMPTION.—Subsection (b) shall not apply with respect to an audit report prepared for an issuer that—

''(A) ceased to be an emerging growth company on the last day of the fiscal year of the issuer following the fifth anniversary of the date of the first sale of common equity securities of the issuer pursuant to an effective registration statement under the Securities Act of 1933;

''(B) had average annual gross revenues of less than $50,000,000 as of its most recently completed fiscal year; and

''(C) is not a large accelerated filer.

''(2) EXPIRATION OF TEMPORARY EXEMPTION.—An issuer ceases to be eligible for the exemption described under paragraph (1) at the earliest of—

''(A) the last day of the fiscal year of the issuer following the tenth anniversary of the date of the first sale of common equity securities of the issuer pursuant to an effective registration statement under the Securities Act of 1933;

''(B) the last day of the fiscal year of the issuer during which the average annual gross revenues of the issuer exceed $50,000,000; or

''(C) the date on which the issuer becomes a large accelerated filer.

''(3) DEFINITIONS.—For purposes of this subsection:

''(A) AVERAGE ANNUAL GROSS REVENUES.—The term 'average annual gross revenues'

means the total gross revenues of an issuer over its most recently completed three fiscal years divided by three.

''(B) EMERGING GROWTH COMPANY.—The term 'emerging growth company' has the meaning given such term under section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c).

''(C) LARGE ACCELERATED FILER.—The term 'large accelerated filer' has the meaning given that term under section 240.12b–2 of title 17, Code of Federal Regulations, or any successor thereto.''.

TITLE VI—END BANKING FOR HUMAN TRAFFICKERS

SEC. 601. INCREASING THE ROLE OF THE FINANCIAL INDUSTRY IN COMBATING HUMAN TRAFFICKING.

(a) TREASURY AS A MEMBER OF THE PRESIDENT'S INTERAGENCY TASK FORCE TO MONITOR AND COMBAT TRAFFICKING.—Section 105(b) of the Victims of Trafficking and Violence Protection Act of 2000 (22 U.S.C. 7103(b)) is amended by inserting ''the Secretary of the Treasury,'' after ''the Secretary of Education,''.

(b) REQUIRED REVIEW OF PROCEDURES.—Not later than 180 days after the date of the enactment of this Act, the Financial Institutions Examination Council, in consultation with the Secretary of the Treasury, the private sector, and appropriate law enforcement agencies, shall—

(1) review and enhance training and examinations procedures to improve the capabilities of anti-money laundering and countering the financing of terrorism programs to detect financial transactions relating to severe forms of trafficking in persons;

(2) review and enhance procedures for referring potential cases relating to severe forms of trafficking in persons to the appropriate law enforcement agency; and

(3) determine, as appropriate, whether requirements for financial institutions are sufficient to detect and deter money laundering relating to severe forms of trafficking in persons.

(c) INTERAGENCY TASK FORCE RECOMMENDATIONS TARGETING MONEY LAUNDERING RELATED TO HUMAN TRAFFICKING.—

(1) IN GENERAL.—Not later than 270 days after the date of the enactment of this Act, the Interagency Task Force to Monitor and Combat Trafficking shall submit to the Committee on Financial Services and the Committee on the Judiciary of the House of Representatives, the Committee on Banking, Housing, and Urban Affairs and the Committee on the Judiciary of the Senate, and the head of each appropriate Federal banking agency—

(A) an analysis of anti-money laundering efforts of the United States Government and United States financial institutions relating to severe forms of trafficking in persons; and

(B) appropriate legislative, administrative, and other recommendations to strengthen efforts against money laundering relating to severe forms of trafficking in persons.

(2) REQUIRED RECOMMENDATIONS.—The recommendations under paragraph (1) shall include—

(A) feedback from financial institutions on best practices of successful programs to combat severe forms of trafficking in persons currently in place that may be suitable for broader adoption by similarly situated financial institutions;

(B) feedback from stakeholders, including victims of severe forms of trafficking in persons and financial institutions, on policy proposals derived from the analysis conducted by the task force referred to in paragraph (1) that would enhance the efforts and programs of financial institutions to detect and deter money laundering relating to severe forms of trafficking in persons, including any recommended changes to internal policies, procedures, and controls relating to severe forms of trafficking in persons;

(C) any recommended changes to training programs at financial institutions to better equip employees to deter and detect money laundering relating to severe forms of trafficking in persons;

(D) any recommended changes to expand information sharing relating to severe forms of trafficking in persons among financial institutions and between such financial institutions, appropriate law enforcement agencies, and appropriate Federal agencies; and

(E) recommended changes, if necessary, to existing statutory law to more effectively detect and deter money laundering relating to severe forms of trafficking in persons, where such money laundering involves the use of emerging technologies and virtual currencies.

(d) LIMITATION.—Nothing in this title shall be construed to grant rulemaking authority to the Interagency Task Force to Monitor and Combat Trafficking.

(e) DEFINITIONS.—As used in this section—

(1) the term ''appropriate Federal banking agency'' has the meaning given the term in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q));

(2) the term ''severe forms of trafficking in persons'' has the meaning given such term in section 103 of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7102);

(3) the term ''Interagency Task Force to Monitor and Combat Trafficking'' means the Interagency Task Force to Monitor and Combat Trafficking established by the President pursuant to section 105 of the Victims of Trafficking and Violence Protection Act of 2000 (22 U.S.C. 7103); and

(4) the term ''law enforcement agency'' means an agency of the United States, a State, or a political subdivision of a State, authorized by law or by a government agency to engage in or supervise the prevention, detection, investigation, or prosecution of any violation of criminal or civil law.

SEC. 602. COORDINATION OF HUMAN TRAFFICKING ISSUES BY THE OFFICE OF TERRORISM AND FINANCIAL INTELLIGENCE.

(a) FUNCTIONS.—Section 312(a)(4) of title 31, United States Code, is amended—

(1) by redesignating subparagraphs (E), (F), and (G) as subparagraphs (F), (G), and (H), respectively; and

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

''(E) combating illicit financing relating to severe forms of trafficking in persons;''.

(b) INTERAGENCY COORDINATION.—Section 312(a) of title 31, United States Code, is amended by adding at the end the following:

''(8) INTERAGENCY COORDINATION.—The Secretary of the Treasury, after consultation with the Undersecretary for Terrorism and Financial Crimes, shall designate an office within the OTFI that shall coordinate efforts to combat the illicit financing of severe forms of trafficking in persons with—

''(A) other offices of the Department of the Treasury;

''(B) other Federal agencies, including—

''(i) the Office to Monitor and Combat Trafficking in Persons of the Department of State; and

''(ii) the Interagency Task Force to Monitor and Combat Trafficking;

''(C) State and local law enforcement agencies; and

''(D) foreign governments.''.

(c) DEFINITION.—Section 312(a) of title 31, United States Code, as amended by this section, is further amended by adding at the end the following:

''(9) DEFINITION.—In this subsection, the term 'severe forms of trafficking in persons' has the meaning given such term in section 103 of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7102).''.

SEC. 603. ADDITIONAL REPORTING REQUIREMENT UNDER THE TRAFFICKING VICTIMS PROTECTION ACT OF 2000.

Section 105(d)(7) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7103(d)(7)) is amended—

(1) in the matter preceding subparagraph (A)—

(A) by inserting ''the Committee on Financial Services,'' after ''the Committee on Foreign Affairs,''; and

(B) by inserting ''the Committee on Banking, Housing, and Urban Affairs,'' after ''the Committee on Foreign Relations,'';

(2) in subparagraph (Q)(vii), by striking ''; and'' and inserting a semicolon;

(3) in subparagraph (R), by striking the period at the end and inserting ''; and''; and

(4) by adding at the end the following:

''(S) the efforts of the United States to eliminate money laundering relating to severe forms of trafficking in persons and the number of investigations, arrests, indictments, and convictions in money laundering cases with a nexus to severe forms of trafficking in persons.''.

SEC. 604. MINIMUM STANDARDS FOR THE ELIMINATION OF TRAFFICKING.

Section 108(b) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7106(b)) is amended by adding at the end the following new paragraph:

''(13) Whether the government of the country, consistent with the capacity of the country, has in effect a framework to prevent financial transactions involving the proceeds of severe forms of trafficking in persons, and is taking steps to implement such a framework, including by investigating, prosecuting, convicting, and sentencing individuals who attempt or conduct such transactions.''.

TITLE VII—INVESTING IN MAIN STREET

SEC. 701. INVESTMENT IN SMALL BUSINESS INVESTMENT COMPANIES.

Section 302(b) of the Small Business Investment Act of 1958 (15 U.S.C. 682(b)) is amended—

(1) in paragraph (1), by inserting before the period the following: ''or, subject to the approval of the appropriate Federal banking agency, 15 percent of such capital and surplus'';

(2) in paragraph (2), by inserting before the period the following: ''or, subject to the approval of the appropriate Federal banking agency, 15 percent of such capital and surplus''; and

(3) by adding at the end the following:

''(3) APPROPRIATE FEDERAL BANKING AGENCY DEFINED.—For purposes of this subsection, the term 'appropriate Federal banking agency' has the meaning given that term under section 3 of the Federal Deposit Insurance Act.''.

TITLE VIII—EXCHANGE REGULATORY IMPROVEMENT

SEC. 801. FINDINGS.

The Congress finds the following:

(1) Over time, national securities exchanges have expanded their businesses beyond listings and trading to include the sale of additional products and services to their members and listed companies.

(2) The Securities and Exchange Commission should be transparent in its interpretation of the term ''facility'' in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)).

SEC. 802. FACILITY DEFINED.

(a) IN GENERAL.—Not later than 360 days after the date of enactment of this Act, the Securities and Exchange Commission (the

''Commission'') shall adopt regulations to further interpret the term ''facility'' under section 3(a) of the Securities Exchange Act of 1934. Such regulations shall set forth the facts and circumstances the Commission considers when determining whether any premises or property, or the right to use any premises, property, or service is or is not a facility of an exchange.

(b) APPLICATION TO PROPOSED RULES.—The Commission shall apply the facts and circumstances set forth in the regulations issued pursuant to subsection (a) in determining whether any proposed rule is or is not required to be submitted as a proposed rule filing pursuant to section 19 of the Securities Exchange Act of 1934 and the rules and regulations issued thereunder.

TITLE IX—ENCOURAGING PUBLIC OFFERINGS

SEC. 901. EXPANDING TESTING THE WATERS AND CONFIDENTIAL SUBMISSIONS.

The Securities Act of 1933 (15 U.S.C. 77a et seq.) is amended—

(1) in section 5(d)—

(A) by striking ''Notwithstanding'' and inserting the following:

''(1) IN GENERAL.—Notwithstanding'';

(B) by striking ''an emerging growth company or any person authorized to act on behalf of an emerging growth company'' and inserting ''an issuer or any person authorized to act on behalf of an issuer''; and

(C) by adding at the end the following:

''(2) ADDITIONAL REQUIREMENTS.—

''(A) IN GENERAL.—The Commission may issue regulations, subject to public notice and comment, to impose such other terms, conditions, or requirements on the engaging in oral or written communications described under paragraph (1) by an issuer other than an emerging growth company as the Commission determines appropriate.

''(B) REPORT TO CONGRESS.—Prior to any rulemaking described under subparagraph (A), the Commission shall issue a report to the Congress containing a list of the findings supporting the basis of such rulemaking.''; and

(2) in section 6(e)—

(A) in the heading, by striking ''EMERGING GROWTH COMPANIES'' and inserting ''DRAFT REGISTRATION STATEMENTS'';

(B) by redesignating paragraph (2) as paragraph (4); and

(C) by striking paragraph (1) and inserting the following:

''(1) PRIOR TO INITIAL PUBLIC OFFERING.—Any issuer, prior to its initial public offering date, may confidentially submit to the Commission a draft registration statement, for confidential nonpublic review by the staff of the Commission prior to public filing, provided that the initial confidential submission and all amendments thereto shall be publicly filed with the Commission not later than 15 days before the date on which the issuer conducts a road show (as defined under section 230.433(h)(4) of title 17, Code of Federal Regulations) or, in the absence of a road show, at least 15 days prior to the requested effective date of the registration statement.

''(2) WITHIN 1 YEAR AFTER INITIAL PUBLIC OFFERING OR EXCHANGE REGISTRATION.—Any issuer, within the 1-year period following its initial public offering or its registration of a security under section 12(b) of the Securities Exchange Act of 1934, may confidentially submit to the Commission a draft registration statement, for confidential nonpublic review by the staff of the Commission prior to public filing, provided that the initial confidential submission and all amendments thereto shall be publicly filed with the Commission by a date and time prior to any requested effective date and time that the Commission determines is appropriate to protect investors.

''(3) ADDITIONAL REQUIREMENTS.—

''(A) IN GENERAL.—The Commission may issue regulations, subject to public notice and comment, to impose such other terms, conditions, or requirements on the submission of draft registration statements described under this subsection by an issuer other than an emerging growth company as the Commission determines appropriate.

''(B) REPORT TO CONGRESS.—Prior to any rulemaking described under subparagraph (A), the Commission shall issue a report to the Congress containing a list of the findings supporting the basis of such rulemaking.''.

TITLE X—FAMILY OFFICE TECHNICAL CORRECTION

SEC. 1001. ACCREDITED INVESTOR CLARIFICATION.

(a) IN GENERAL.—Subject to subsection (b), any family office or a family client of a family office, as defined in section 275.202(a)(11)(G)–1 of title 17, Code of Federal Regulations, shall be deemed to be an accredited investor, as defined in Regulation D of the Securities and Exchange Commission (or any successor thereto) under the Securities Act of 1933.

(b) LIMITATION.—Subsection (a) only applies to a family office with assets under management in excess of $5,000,000, and a family office or a family client not formed for the specific purpose of acquiring the securities offered, and whose purchase is directed by a person who has such knowledge and experience in financial and business matters that such person is capable of evaluating the merits and risks of the prospective investment.

TITLE XI—EXPANDING ACCESS TO CAPITAL FOR RURAL JOB CREATORS

SEC. 1101. ACCESS TO CAPITAL FOR RURAL-AREA SMALL BUSINESSES.

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

(1) in paragraph(4)(C), by inserting ''rural-area small businesses,'' after ''women-owned small businesses,''; and

(2) in paragraph (6)(B)(iii), by inserting ''rural-area small businesses,'' after ''women-owned small businesses,''.

TITLE XII—FINANCIAL INSTITUTION LIVING WILL IMPROVEMENT

SEC. 1201. LIVING WILL REFORMS.

(a) IN GENERAL.—Section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5365(d)) is amended—

(1) in paragraph (1), by striking ''periodically'' and inserting ''every 2 years''; and

(2) in paragraph (3)—

(A) by striking ''The Board'' and inserting the following:

''(A) IN GENERAL.—The Board'';

(B) by striking ''shall review'' and inserting the following: ''shall—

''(i) review'';

(C) by striking the period and inserting ''; and''; and

(D) by adding at the end the following:

''(ii) not later than the end of the 6-month period beginning on the date the company submits the resolution plan, provide feedback to the company on such plan.

''(B) DISCLOSURE OF ASSESSMENT FRAMEWORK.—The Board of Governors and the Corporation shall publicly disclose the assessment framework that is used to review information under this paragraph.''.

(b) TREATMENT OF OTHER RESOLUTION PLAN REQUIREMENTS.—

(1) IN GENERAL.—With respect to an appropriate Federal banking agency that requires a banking organization to submit to the agency a resolution plan not described under section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act—

(A) the respective agency shall ensure that the review of such resolution plan is consistent with the requirements contained in the amendments made by this section;

(B) the agency may not require the submission of such a resolution plan more often than every 2 years; and

(C) paragraphs (6) and (7) of such section 165(d) shall apply to such a resolution plan.

(2) DEFINITIONS.—For purposes of this subsection:

(A) APPROPRIATE FEDERAL BANKING AGENCY.—The term ''appropriate Federal banking agency''—

(i) has the meaning given such term under section 3 of the Federal Deposit Insurance Act; and

(ii) means the National Credit Union Administration, in the case of an insured credit union.

(B) BANKING ORGANIZATION.—The term ''banking organization'' means—

(i) an insured depository institution;

(ii) an insured credit union;

(iii) a depository institution holding company;

(iv) a company that is treated as a bank holding company for purposes of section 8 of the International Banking Act; and

(v) a U.S. intermediate holding company established by a foreign banking organization pursuant to section 252.153 of title 12, Code of Federal Regulations.

(C) INSURED CREDIT UNION.—The term ''insured credit union'' has the meaning given that term under section 101 of the Federal Credit Union Act.

(D) OTHER BANKING TERMS.—The terms ''depository institution holding company'' and ''insured depository institution'' have the meaning given those terms, respectively, under section 3 of the Federal Deposit Insurance Act.

(c) RULE OF CONSTRUCTION.—Nothing in this section, or any amendment made by this section, shall be construed as limiting the authority of an appropriate Federal banking agency (as defined under subsection (b)(2)) to obtain information from an institution in connection with such agency's authority to examine or require reports from the institution.

TITLE XIII—PREVENTION OF PRIVATE INFORMATION DISSEMINATION

SEC. 1301. CRIMINAL PENALTY FOR UNAUTHORIZED DISCLOSURES.

Section 165 of the Financial Stability Act of 2010 (12 U.S.C. 5365) is amended by adding at the end the following:

''(l) CRIMINAL PENALTY FOR UNAUTHORIZED DISCLOSURES.—Section 552a(i)(1) of title 5, United States Code, shall apply to a determination made under subsection (d) or (i) based on individually identifiable information submitted pursuant to the requirements of this section to the same extent as such section 552a(i)(1) applies to agency records which contain individually identifiable information the disclosure of which is prohibited by such section 552a or by rules or regulations established thereunder.''.

TITLE XIV—INTERNATIONAL INSURANCE STANDARDS

SEC. 1401. SHORT TITLE.

This title may be cited as the ''International Insurance Standards Act of 2018''.

SEC. 1402. CONGRESSIONAL FINDINGS.

The Congress finds the following:

(1) The State-based system for insurance regulation in the United States has served American consumers well for more than 150 years and has fostered an open and competitive marketplace with a diversity of insurance products to the benefit of policyholders and consumers.

(2) Protecting policyholders by regulating to ensure an insurer's ability to pay claims has been the hallmark of the successful United States system and should be the paramount objective of domestic prudential regulation and emerging international standards.

(3) The Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111–203) reaffirmed the State-based insurance regulatory system.

SEC. 1403. REQUIREMENT THAT INSURANCE STANDARDS REFLECT UNITED STATES POLICY.

(a) REQUIREMENT.—

(1) IN GENERAL.—Parties representing the Federal Government in any international regulatory, standard-setting, or supervisory forum or in any negotiations of any international agreements relating to the prudential aspects of insurance shall not agree to, accede to, accept, or establish any proposed agreement or standard if the proposed agreement or standard fails to recognize the United States system of insurance regulation as satisfying such proposals.

(2) INAPPLICABILITY.—Paragraph (1) shall not apply to any forum or negotiations relating to a covered agreement (as such term is defined in section 313(r) of title 31, United States Code).

(b) FEDERAL INSURANCE OFFICE FUNCTIONS.—Subparagraph (E) of section 313(c)(1) of title 31, United States Code, is amended by inserting ''Federal Government'' after ''United States''.

(c) NEGOTIATIONS.—Nothing in this section shall be construed to prevent participation in negotiations of any proposed agreement or standard.

SEC. 1404. STATE INSURANCE REGULATOR INVOLVEMENT IN INTERNATIONAL STANDARD SETTING.

In developing international insurance standards pursuant to section 1403, and throughout the negotiations of such standards, parties representing the Federal Government shall, on matters related to insurance, closely consult, coordinate with, and seek to include in such meetings State insurance commissioners or, at the option of the State insurance commissioners, designees of the insurance commissioners acting at their direction.

SEC. 1405. CONSULTATION WITH CONGRESS.

(a) REQUIREMENT.—Parties representing the Federal Government with respect to any agreement under section 1403 shall provide written notice to and consult with the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, and any other relevant committees of jurisdiction—

(1) before initiating negotiations to enter into the agreement, regarding—

(A) the intention of the United States to participate in or enter into such negotiations; and

(B) the nature and objectives of the negotiations; and

(2) during negotiations to enter into the agreement, regarding—

(A) the nature and objectives of the negotiations

(B) the implementation of the agreement, including how it is consistent with and does not materially differ from or otherwise affect Federal or State laws or regulations;

(C) the impact on the competitiveness of United States insurers; and

(D) the impact on United States consumers.

(b) CONSULTATION WITH FEDERAL ADVISORY COMMITTEE ON INSURANCE.—Before entering into an agreement under section 1403, the Secretary of the Treasury shall seek to consult with the Federal Advisory Committee on Insurance formed pursuant to section 313(h) of title 31, United States Code.

SEC. 1406. REPORT TO CONGRESS ON INTERNATIONAL INSURANCE AGREEMENTS.

Before entering into an agreement under section 1403, parties representing the Federal Government shall submit to the appropriate congressional committees and leadership a report that describes —

(1) the implementation of the agreement, including how it is consistent with and does not materially differ from or otherwise affect Federal or State laws or regulations;

(2) the impact on the competitiveness of United States insurers; and

(3) the impact on United States consumers.

SEC. 1407. COVERED AGREEMENTS.

(a) PREEMPTION OF STATE INSURANCE MEASURES.—Subsection (f) of section 313 of title 31, United States Code, is amended by striking ''Director'' each place such term appears and inserting ''Secretary''.

(b) DEFINITION.—Paragraph (2) of section 313(r) of title 31, United States Code, is amended—

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

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

(3) by adding at the end the following new subparagraph:

''(C) applies only on a prospective basis.''.

(c) CONSULTATION; SUBMISSION AND LAYOVER; CONGRESSIONAL REVIEW.—Section 314 of title 31, United States Code is amended—

(1) in subsection (b)—

(A) in paragraph (2)(C), by striking ''laws'' and inserting the following: ''and Federal law, and the nature of any changes in the laws of the United States or the administration of such laws that would be required to carry out a covered agreement''; and

(B) by adding at the end the following new paragraph:

''(3) ACCESS TO NEGOTIATING TEXTS AND OTHER DOCUMENTS.—Appropriate congressional committees and staff with proper security clearances shall be given timely access to United States negotiating proposals, consolidated draft texts, and other pertinent documents related to the negotiations, including classified materials.'';

(2) by redesignating subsection (c) as subsection (d);

(3) by inserting after subsection (b) the following new subsection:

''(c) REQUIREMENTS FOR CONSULTATIONS WITH STATE INSURANCE COMMISSIONERS.—Throughout the negotiations of a covered agreement, parties representing the Federal Government shall closely consult and coordinate with State insurance commissioners.'';

(4) in subsection (d), as so redesignated by paragraph (2)—

(A) in the matter preceding paragraph (1), by striking ''only if—'' and inserting the following: ''only if, before signing the final legal text or otherwise entering into the agreement—'';

(B) in paragraph (1), by striking ''congressional committees specified in subsection (b)(1)'' and inserting ''appropriate congressional committees and leadership and to congressional committee staff with proper security clearances''; and

(C) by striking paragraph (2) and inserting the following new paragraph:

''(2)(A) the 90-day period beginning on the date on which the copy of the final legal text of the agreement is submitted under paragraph (1) to the congressional committees, leadership, and staff has expired; and

''(B) the covered agreement has not been prevented from taking effect pursuant to subsection (e).''; and

(5) by adding at the end the following new subsections:

''(e) PERIOD FOR REVIEW BY CONGRESS.—

''(1) IN GENERAL.—During the layover period referred to in subsection (d)(2)(A), the Committees on Banking, Housing, and Urban Affairs and Finance of the Senate and the Committees on Financial Services and Ways of Means of the House of Representatives should, as appropriate, exercise their full oversight responsibility.

''(2) EFFECT OF ENACTMENT OF A JOINT RESOLUTION OF DISAPPROVAL.—Notwithstanding any other provision of law, if a joint resolution of disapproval relating to a covered agreement submitted under subsection (d)(1) is enacted in accordance with subsection (f), the covered agreement shall not enter into force with respect to the United States.

''(f) JOINT RESOLUTIONS OF DISAPPROVAL.—

''(1) DEFINITION.—In this subsection, the term 'joint resolution of disapproval' means, with respect to proposed covered agreement, only a joint resolution of either House of Congress—

''(A) that is introduced during the 90-day period referred to in subsection (d)(2)(A) relating to such proposed covered agreement;

''(B) which does not have a preamble;

''(C) the title of which is as follows: 'A joint resolution disapproving a certain proposed covered agreement under section 314 of title 31, United States Code.'; and

''(D) the sole matter after the resolving clause of which is the following: 'Congress disapproves of the proposed covered agreement submitted to Congress under section 314(c)(1) of title 31, United States Code, on _____ relating to _____.', with the first blank space being filled with the appropriate date and the second blank space being filled with a short description of the proposed covered agreement.

''(2) INTRODUCTION.—During the layover period referred to in subsection (d)(2)(A), a joint resolution of disapproval may be introduced—

''(A) in the House of Representatives, by any Member of the House, and

''(B) in the Senate, by any Senator,

and shall be referred to the appropriate committees.

''(3) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—This subsection is enacted by Congress—

''(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such is deemed a part of the rules of each House, respectively, and supersedes other rules only to the extent that it is inconsistent with such rules; and

''(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

''(g) APPROPRIATE CONGRESSIONAL COMMITTEES AND LEADERSHIP DEFINED.—In this section, the term 'appropriate congressional committees and leadership' means—

''(1) the Committees on Banking, Housing, and Urban Affairs and Finance, and the majority and minority leaders, of the Senate; and

''(2) the Committees on Financial Services and Ways and Means, and the Speaker, the majority leader, and the minority leader, of the House of Representatives.''.

SEC. 1408. INAPPLICABILITY TO TRADE AGREEMENTS.

This title and the amendments made by this title shall not apply to any forum or negotiations related to a trade agreement.

TITLE XV—ALLEVIATING STRESS TEST BURDENS TO HELP INVESTORS

SEC. 1501. STRESS TEST RELIEF FOR NONBANKS.

Section 165(i)(2) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5365(i)(2)) is amended—

(1) in subparagraph (A), by striking ''are regulated by a primary Federal financial regulatory agency'' and inserting: ''whose primary financial regulatory agency is a Federal banking agency or the Federal Housing Finance Agency'';

(2) in subparagraph (C), by striking ''Each Federal primary financial regulatory agency'' and inserting ''Each Federal banking agency and the Federal Housing Finance Agency''; and

(3) by adding at the end the following:

''(D) SEC AND CFTC.—The Securities and Exchange Commission and the Commodity Futures Trading Commission may each issue regulations requiring financial companies with respect to which they are the primary financial regulatory agency to conduct periodic analyses of the financial condition, including available liquidity, of such companies under adverse economic conditions.''.

TITLE XVI—NATIONAL STRATEGY FOR COMBATING THE FINANCING OF TRANSNATIONAL CRIMINAL ORGANIZATIONS

SEC. 1601. NATIONAL STRATEGY.

(a) IN GENERAL.—The President, acting through the Secretary of the Treasury, shall, in consultation with the Attorney General, the Secretary of State, the Secretary of Homeland Security, the Director of National Intelligence, the Secretary of Defense, the Director of the Financial Crimes Enforcement Network, the Director of the United States Secret Service, the Director of the Federal Bureau of Investigation, the Administrator of the Drug Enforcement Administration, the Commissioner of Customs and Border Protection, the Director of the Office of National Drug Control Policy, and the Federal functional regulators, develop a national strategy to combat the financial networks of transnational organized criminals.

(b) TRANSMITTAL TO CONGRESS.—

(1) IN GENERAL.—Not later than 1 year after the enactment of this Act, the President shall submit to the appropriate Congressional committees and make available to the relevant government agencies as defined in subsection (a), a comprehensive national strategy in accordance with subsection (a).

(2) UPDATES.—After the initial submission of the national strategy under paragraph (1), the President shall, not less often than every 2 years, update the national strategy and submit the updated strategy to the appropriate Congressional committees.

(c) SEPARATE PRESENTATION OF CLASSIFIED MATERIAL.—Any part of the national strategy that involves information that is properly classified under criteria established by the President shall be submitted to Congress separately in a classified annex and, if requested by the chairman or ranking member of one of the appropriate Congressional committees, as a briefing at an appropriate level of security.

SEC. 1602. CONTENTS OF NATIONAL STRATEGY.

The national strategy described in section 1601 shall contain the following:

(1) THREATS.—An identification and assessment of the most significant current transnational organized crime threats posed to the national security of the United States or to the U.S. and international financial system, including drug and human trafficking organizations, cyber criminals, kleptocrats, and other relevant state and non-state entities, including those threats identified in the President's ''Strategy to Combat Transnational Organized Crime'' (published July 2011).

(2) ILLICIT FINANCE.—(A) An identification of individuals, entities, and networks (including terrorist organizations, if any) that provide financial support or financial facilitation to transnational organized crime groups, and an assessment of the scope and role of those providing financial support to transnational organized crime groups.

(B) An assessment of methods by which transnational organized crime groups launder illicit proceeds, including money laundering using real estate and other tangible goods such as art and antiquities, trade-based money laundering, bulk cash smuggling, exploitation of shell companies, and misuse of digital currencies and other cyber technologies, as well as an assessment of the risk to the financial system of the United States of such methods.

(3) GOALS, OBJECTIVES, PRIORITIES, AND ACTIONS.—(A) A comprehensive, research-based discussion of short-term and long-term goals, objectives, priorities, and actions, listed for each department and agency described under section 1601(a), for combating the financing of transnational organized crime groups and their facilitators.

(B) A description of how the strategy is integrated into, and supports, the national security strategy, drug control strategy, and counterterrorism strategy of the United States.

(4) REVIEWS AND PROPOSED CHANGES.—A review of current efforts to combat the financing or financial facilitation of transnational organized crime, including efforts to detect, deter, disrupt, and prosecute transnational organized crime groups and their supporters, and, if appropriate, proposed changes to any law or regulation determined to be appropriate to ensure that the United States pursues coordinated and effective efforts within the jurisdiction of the United States, including efforts or actions that are being taken or can be taken by financial institutions, efforts in cooperation with international partners of the United States, and efforts that build partnerships and global capacity to combat transnational organized crime.

SEC. 1603. DEFINITIONS.

In this title:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means—

(A) the Committee on Financial Services, the Committee on Foreign Affairs, the Committee on Armed Services, the Committee on the Judiciary, the Committee on Homeland Security, and the Permanent Select Committee on Intelligence of the House of Representatives; and

(B) the Committee on Banking, Housing, and Urban Affairs, the Committee on Foreign Relations, the Committee on Armed Services, the Committee on the Judiciary, the Committee on Homeland Security and Governmental Affairs, and the Select Committee on Intelligence of the Senate.

(2) FEDERAL FUNCTIONAL REGULATOR.—The term ''Federal functional regulator'' has the meaning given that term in section 509 of the Gramm-Leach-Bliley Act (15 U.S.C. 6809).

(3) TRANSNATIONAL ORGANIZED CRIME.—The term ''transnational organized crime'' refers to those self-perpetuating associations of individuals who operate transnationally for the purpose of obtaining power, influence, monetary or commercial gains, wholly or in part by illegal means, while—

(A) protecting their activities through a pattern of corruption or violence; or

(B) while protecting their illegal activities through a transnational organizational structure and the exploitation of transnational commerce or communication mechanisms.

TITLE XVII—COMMON SENSE CREDIT UNION CAPITAL RELIEF

SEC. 1701. DELAY IN EFFECTIVE DATE.

Notwithstanding any effective date set forth in the rule issued by the National Credit Union Administration titled ''Risk-Based Capital'' (published at 80 Fed. Reg. 66626 (October 29, 2015)), such final rule shall take effect on January 1, 2021.

TITLE XVIII—OPTIONS MARKETS STABILITY

SEC. 1801. RULEMAKING.

Within 180 days of the date of enactment of this Act, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Comptroller of the Currency shall, jointly, issue a proposed rule, and finalize such rule within 360 days of the date of enactment of this Act, to adopt a methodology for calculating the counterparty credit risk exposure, at default, of a depository institution, depository institution holding company, or affiliate thereof to a client arising from a guarantee provided by the depository institution, depository institution holding company, or affiliate thereof to a central counterparty in respect of the client's performance under an exchange-listed derivative contract cleared through that central counterparty pursuant to the risk-based and leverage-based capital rules applicable to depository institutions and depository institution holding companies under parts 3, 217, and 324 of title 12, Code of Federal Regulations. In issuing such rule, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Comptroller of the Currency shall consider—

(1) the availability of liquidity provided by market makers during times of high volatility in the capital markets;

(2) the spread between the bid and the quote offered by market makers;

(3) the preference for clearing through central counterparties;

(4) the safety and soundness of the financial system and financial stability, including the benefits of central clearing;

(5) the safety and soundness of individual institutions that may centrally clear exchange-listed derivatives or options on behalf of a client, including concentration of market share;

(6) the economic value of delta weighting a counterparty's position and netting of a counterparty's position;

(7) the inherent risk of the positions;

(8) barriers to entry for depository institutions, depository institution holding companies, affiliates thereof, and entities not affiliated with a depository institution or depository institution holding company to centrally clear exchange-listed derivatives or options on behalf of market makers;

(9) the impact any changes may have on the broader capital regime and aggregate capital in the system; and

(10) consideration of other potential factors that impact market making in the exchange-listed options market, including changes in market structure.

SEC. 1802. REPORT TO CONGRESS.

At the end of the 5-year period beginning on the date the final rule is issued under section 1801, the Board of Governors of the Federal Reserve System shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report detailing the impact of the final rule during such period on the factors described under paragraphs (1) through (10) of section 1801.

TITLE XIX—COOPERATE WITH LAW ENFORCEMENT AGENCIES AND WATCH

SEC. 1901. SAFE HARBOR WITH RESPECT TO KEEP OPEN LETTERS.

(a) IN GENERAL.—Subchapter II of chapter 53 of title 31, United States Code, is amended by adding at the end the following:

''§ 5333. Safe harbor with respect to keep open letters

''(a) IN GENERAL.—With respect to a customer account or customer transaction of a financial institution, if a Federal, State, Tribal, or local law enforcement agency requests, in writing, the financial institution to keep such account or transaction open—

''(1) the financial institution shall not be liable under this subchapter for maintaining such account or transaction consistent with the parameters of the request; and

''(2) no Federal or State department or agency may take any adverse supervisory action under this subchapter with respect to the financial institution for maintaining such account or transaction consistent with the parameters of the request.

''(b) RULE OF CONSTRUCTION.—Nothing in this section may be construed—

''(1) from preventing a Federal or State department or agency from verifying the validity of a written request described under subsection (a) with the Federal, State, Tribal, or local law enforcement agency making the written request; or

''(2) to relieve a financial institution from complying with any reporting requirements, including the reporting of suspicious transactions under section 5318(g).

''(c) LETTER TERMINATION DATE.—For purposes of this section, any written request described under subsection (a) shall include a termination date after which such request shall no longer apply.''.

(b) CLERICAL AMENDMENT.—The table of contents for chapter 53 of title 31, United States Code, is amended by inserting after the item relating to section 5332 the following:

''5333. Safe harbor with respect to keep open letters.''.

TITLE XX—MAIN STREET GROWTH

SEC. 2001. VENTURE EXCHANGES.

(a) SECURITIES EXCHANGE ACT OF 1934.—Section 6 of the Securities Exchange Act of 1934 (15 U.S.C. 78f) is amended by adding at the end the following:

''(m) VENTURE EXCHANGE.—

''(1) REGISTRATION.—

''(A) IN GENERAL.—A person may register themself (and a national securities exchange may register a listing tier of such exchange) as a national securities exchange solely for the purposes of trading venture securities by filing an application with the Commission pursuant to subsection (a) and the rules and regulations thereunder.

''(B) PUBLICATION OF NOTICE.—The Commission shall, upon the filing of an application under subparagraph (A), publish notice of such filing and afford interested persons an opportunity to submit written data, views, and arguments concerning such application.

''(C) APPROVAL OR DENIAL.—

''(i) IN GENERAL.—Within 90 days of the date of publication of a notice under subparagraph (B) (or within such longer period as to which the applicant consents), the Commission shall—

''(I) by order grant such registration; or

''(II) institute a denial proceeding under clause (ii) to determine whether registration should be denied.

''(ii) DENIAL PROCEEDING.—A proceeding under clause (i)(II) shall include notice of the grounds for denial under consideration and opportunity for hearing and shall be concluded within 180 days of the date of the publication of a notice under subparagraph (B). At the conclusion of such proceeding the Commission, by order, shall grant or deny such registration. The Commission may extend the time for conclusion of such proceeding for up to 90 days if the Commission finds good cause for such extension and publishes the Commission's reasons for so finding or for such longer period as to which the applicant consents.

''(iii) CRITERIA FOR APPROVAL OR DENIAL.—The Commission shall grant a registration under this paragraph if the Commission finds that the requirements of this title and the rules and regulations thereunder with respect to the applicant are satisfied. The Commission shall deny such registration if it does not make such finding.

''(2) POWERS AND RESTRICTIONS.—In addition to the powers and restrictions otherwise applicable to a national securities exchange, a venture exchange—

''(A) may only constitute, maintain, or provide a market place or facilities for bringing together purchasers and sellers of venture securities;

''(B) may not extend unlisted trading privileges to any venture security;

''(C) may only, if the venture exchange is a listing tier of another national securities exchange, allow trading in securities that are registered under section 12(b) on a national securities exchange other than a venture exchange; and

''(D) may, subject to the rule filing process under section 19(b)—

''(i) determine the increment to be used for quoting and trading venture securities on the exchange; and

''(ii) choose to carry out periodic auctions for the sale of a venture security instead of providing continuous trading of the venture security.

''(3) TREATMENT OF CERTAIN EXEMPTED SECURITIES.—A security that is exempt from registration pursuant to section 3(b) of the Securities Act of 1933 shall be exempt from section 12(a) of this title to the extent such securities are traded on a venture exchange, if the issuer of such security is in compliance with—

''(A) all disclosure obligations of such section 3(b) and the regulations issued under such section; and

''(B) ongoing disclosure obligations of the applicable venture exchange that are similar to those provided by an issuer under tier 2 of Regulation A (17 C.F.R. 230.251 et seq.).

''(4) VENTURE SECURITIES TRADED ON VENTURE EXCHANGES MAY NOT TRADE ON NON-VENTURE EXCHANGES.—A venture security may not be traded on a national securities exchange that is not a venture exchange during any period in which the venture security is being traded on a venture exchange.

''(5) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed as requiring transactions in venture securities to be effected on a national securities exchange.

''(6) COMMISSION AUTHORITY TO LIMIT CERTAIN TRADING.—The Commission may limit transactions in venture securities that are not effected on a national securities exchange as appropriate to promote efficiency, competition, capital formation, and to protect investors.

''(7) DISCLOSURES TO INVESTORS.—The Commission shall issue regulations to ensure that persons selling or purchasing venture securities on a venture exchange are provided disclosures sufficient to understand—

''(A) the characteristics unique to venture securities; and

''(B) in the case of a venture exchange that is a listing tier of another national securities exchange, that the venture exchange is distinct from the other national securities exchange.

''(8) DEFINITIONS.—For purposes of this subsection:

''(A) EARLY-STAGE, GROWTH COMPANY.—

''(i) IN GENERAL.—The term 'early-stage, growth company' means an issuer—

''(I) that has not made any registered initial public offering of any securities of the issuer; and

''(II) with a public float of less than or equal to the value of public float required to qualify as a large accelerated filer under section 240.12b–2 of title 17, Code of Federal Regulations.

''(ii) TREATMENT WHEN PUBLIC FLOAT EXCEEDS THRESHOLD.—An issuer shall not cease to be an early-stage, growth company by reason of the public float of such issuer exceeding the threshold specified in clause (i)(II) until the later of the following:

''(I) The end of the period of 24 consecutive months during which the public float of the issuer exceeds $2,000,000,000 (as such amount is indexed for inflation every 5 years by the Commission to reflect the change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics, setting the threshold to the nearest $1,000,000).

''(II) The end of the 1-year period following the end of the 24-month period described under subclause (I), if the issuer requests such 1-year extension from a venture exchange and the venture exchange elects to provide such extension.

''(B) PUBLIC FLOAT.—With respect to an issuer, the term 'public float' means the aggregate worldwide market value of the voting and non-voting common equity of the issuer held by non-affiliates.

''(C) VENTURE SECURITY.—

''(i) IN GENERAL.—The term 'venture security' means—

''(I) securities of an early-stage, growth company that are exempt from registration pursuant to section 3(b) of the Securities Act of 1933;

''(II) securities of an emerging growth company; or

''(III) securities registered under section 12(b) and listed on a venture exchange (or, prior to listing on a venture exchange, listed on a national securities exchange) where—

''(aa) the issuer of such securities has a public float less than or equal to the value of public float required to qualify as a large accelerated filer under section 240.12b–2 of title 17, Code of Federal Regulations; or

''(bb) the average daily trade volume is 75,000 shares or less during a continuous 60-day period.

''(ii) TREATMENT WHEN PUBLIC FLOAT EXCEEDS THRESHOLD.—Securities shall not cease to be venture securities by reason of the public float of the issuer of such securities exceeding the threshold specified in clause (i)(III)(aa) until the later of the following:

''(I) The end of the period of 24 consecutive months beginning on the date—

''(aa) the public float of such issuer exceeds $2,000,000,000; and

''(bb) the average daily trade volume of such securities is 100,000 shares or more during a continuous 60-day period.

''(II) The end of the 1-year period following the end of the 24-month period described under subclause (I), if the issuer of such securities requests such 1-year extension from a venture exchange and the venture exchange elects to provide such extension.''.

(b) SECURITIES ACT OF 1933.—Section 18 of the Securities Act of 1933 (15 U.S.C. 77r) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following:

''(d) TREATMENT OF SECURITIES LISTED ON A VENTURE EXCHANGE.—Notwithstanding subsection (b), a security is not a covered security pursuant to subsection (b)(1)(A) if the security is only listed, or authorized for listing, on a venture exchange (as defined under section 6(m) of the Securities Exchange Act of 1934).''.

(c) SENSE OF CONGRESS.—It is the sense of the Congress that the Securities and Exchange Commission should—

(1) when necessary or appropriate in the public interest and consistent with the protection of investors, make use of the Commission's general exemptive authority under section 36 of the Securities Exchange Act of 1934 (15 U.S.C. 78mm) with respect to the provisions added by this section; and

(2) if the Commission determines appropriate, create an Office of Venture Exchanges within the Commission's Division of Trading and Markets.

(d) RULE OF CONSTRUCTION.—Nothing in this section or the amendments made by this section shall be construed to impair or limit the construction of the antifraud provisions of the securities laws (as defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a))) or the authority of the Securities and Exchange Commission under those provisions.

(e) EFFECTIVE DATE FOR TIERS OF EXISTING NATIONAL SECURITIES EXCHANGES.—In the case of a securities exchange that is registered as a national securities exchange under section 6 of the Securities Exchange Act of 1934 (15 U.S.C. 78f) on the date of the enactment of this Act, any election for a listing tier of such exchange to be treated as a venture exchange under subsection (m) of such section shall not take effect before the date that is 180 days after such date of enactment.

TITLE XXI—BUILDING UP INDEPENDENT LIVES AND DREAMS

SEC. 2101. MORTGAGE LOAN TRANSACTION DISCLOSURE REQUIREMENTS.

(a) TILA AMENDMENT.—Section 105 of the Truth in Lending Act (15 U.S.C. 1604) is amended by inserting after subsection (d) the following:

''(e) DISCLOSURE FOR CHARITABLE MORTGAGE LOAN TRANSACTIONS.—With respect to a mortgage loan transaction involving a residential mortgage loan offered at zero percent interest primarily for charitable purposes by an organization having tax-exempt status under section 501(c)(3) of the Internal Revenue Code of 1986, forms HUD–1 and GFE (as defined under section 1024.2(b) of title 12, Code of Federal Regulations), together with a disclosure substantially in the form of the Loan Model Form H–2 (as defined under Appendix H to section 1026 of title 12, Code of Federal Regulations) shall, collectively, be an appropriate model form for purposes of subsection (b).''.

(b) RESPA AMENDMENT.—Section 4 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2603) is amended by adding at the end the following:

''(d) With respect to a mortgage loan transaction involving a residential mortgage loan offered at zero percent interest primarily for charitable purposes, an organization having tax-exempt status under section 501(c)(3) of the Internal Revenue Code of 1986 may use forms HUD–1 and GFE (as defined under section 1024.2(b) of title 12, Code of Federal Regulations) together with a disclosure substantially in the form of the Loan Model Form H–2 (as defined under Appendix H to section 1026 of title 12, Code of Federal Regulations), collectively, in lieu of the disclosure published under subsection (a).''.

(c) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Director of the Bureau of Consumer Financial Protection shall issue such regulations as may be necessary to implement the amendments made by subsections (a) and (b).

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act.

TITLE XXII—MODERNIZING DISCLOSURES FOR INVESTORS

SEC. 2201. FORM 10–Q ANALYSIS.

(a) IN GENERAL.—The Securities and Exchange Commission shall conduct an analysis of the costs and benefits of requiring reporting companies to use Form 10–Q for submitting quarterly financial reports. Such analysis shall consider—

(1) the costs and benefits of Form 10–Q to emerging growth companies;

(2) the costs and benefits of Form 10–Q to the Commission in terms of its ability to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation;

(3) the costs and benefits of Form 10–Q to other reporting companies, investors, market researchers, and other market participants, including the costs and benefits associated with—

(A) the public availability of the information required to be filed on Form 10–Q;

(B) the use of a standardized reporting format across all classes of reporting companies; and

(C) the quarterly disclosure by some companies of financial information in formats other than Form 10–Q, such as a quarterly earnings press release;

(4) the costs and benefits of alternative formats for quarterly reporting for emerging growth companies to emerging growth companies, the Commission, other reporting companies, investors, market researchers, and other market participants; and

(5) the expected impact of the use of alternative formats of quarterly reporting by emerging growth companies on overall market transparency and efficiency.

(b) REPORT REQUIRED.—Not later than 180 days after the date of enactment of this Act, the Commission shall issue a report to Congress that includes—

(1) the results of the analysis required by subsection (a); and

(2) recommendations for decreasing costs, increasing transparency, and increasing efficiency of quarterly financial reporting by emerging growth companies.

TITLE XXIII—FIGHT ILLICIT NETWORKS AND DETECT TRAFFICKING

SEC. 2301. FINDINGS.

The Congress finds the following:

(1) According to the Drug Enforcement Administration (DEA) 2017 National Drug Threat Assessment, transnational criminal organizations are increasingly using virtual currencies.

(2) The Treasury Department has recognized that: ''The development of virtual currencies is an attempt to meet a legitimate market demand. According to a Federal Reserve Bank of Chicago economist, United States consumers want payment options that are versatile and that provide immediate finality. No United States payment method meets that description, although cash may come closest. Virtual currencies can mimic cash's immediate finality and anonymity and are more versatile than cash for online and cross-border transactions, making virtual currencies vulnerable for illicit transactions.''.

(3) Virtual currencies have become a prominent method to pay for goods and services associated with illegal sex trafficking and drug trafficking, which are two of the most detrimental and troubling illegal activities facilitated by online marketplaces.

(4) Online marketplaces, including the dark web, have become a prominent platform to buy, sell, and advertise for illicit goods and services associated with sex trafficking and drug trafficking.

(5) According to the International Labour Organization, in 2016, 4.8 million people in the world were victims of forced sexual exploitation, and in 2014, the global profit from commercial sexual exploitation was $99 billion.

(6) In 2016, within the United States, the Center for Disease Control estimated that there were 64,000 deaths related to drug overdose, and the most severe increase in drug overdoses were those associated with fentanyl and fentanyl analogs (synthetic opioids), which amounted to over 20,000 overdose deaths.

(7) According to the United States Department of the Treasury 2015 National Money Laundering Risk Assessment, an estimated $64 billion is generated annually from United States drug trafficking sales.

(8) Illegal fentanyl in the United States originates primarily from China, and it is readily available to purchase through online marketplaces.

SEC. 2302. GAO STUDY.

(a) STUDY REQUIRED.—The Comptroller General of the United States shall conduct a study on how virtual currencies and online marketplaces are used to facilitate sex and drug trafficking. The study shall consider—

(1) how online marketplaces, including the dark web, are being used as platforms to buy, sell, or facilitate the financing of goods or services associated with sex trafficking or drug trafficking (specifically, opioids and synthetic opioids, including fentanyl, fentanyl analogs, and any precursor chemicals associated with manufacturing fentanyl or fentanyl analogs) destined for, originating from, or within the United States;

(2) how financial payment methods, including virtual currencies and peer-to-peer mobile payment services, are being utilized by online marketplaces to facilitate the buying, selling, or financing of goods and services associated with sex or drug trafficking destined for, originating from, or within the United States;

(3) how virtual currencies are being used to facilitate the buying, selling, or financing of goods and services associated with sex or drug trafficking, destined for, originating from, or within the United States, when an online platform is not otherwise involved;

(4) how illicit funds that have been transmitted online and through virtual currencies are repatriated into the formal banking system of the United States through money laundering or other means;

(5) the participants (state and non-state actors) throughout the entire supply chain that participate in or benefit from the buying, selling, or financing of goods and services associated with sex or drug trafficking (either through online marketplaces or virtual currencies) destined for, originating from, or within the United States;

(6) Federal and State agency efforts to impede the buying, selling, or financing of goods and services associated with sex or drug trafficking destined for, originating from, or within the United States, including efforts to prevent the proceeds from sex or drug trafficking from entering the United States banking system;

(7) how virtual currencies and their underlying technologies can be used to detect and deter these illicit activities; and

(8) to what extent can the immutable and traceable nature of virtual currencies contribute to the tracking and prosecution of illicit funding.

(b) SCOPE.—For the purposes of the study required under subsection (a), the term ''sex

trafficking'' means the recruitment, harboring, transportation, provision, obtaining, patronizing, or soliciting of a person for the purpose of a commercial sex act that is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age.

(c) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report summarizing the results of the study required under subsection (a), together with any recommendations for legislative or regulatory action that would improve the efforts of Federal agencies to impede the use of virtual currencies and online marketplaces in facilitating sex and drug trafficking.

TITLE XXIV—IMPROVING INVESTMENT RESEARCH FOR SMALL AND EMERGING ISSUERS

SEC. 2401. RESEARCH STUDY.

(a) STUDY REQUIRED.—The Securities and Exchange Commission shall conduct a study to evaluate the issues affecting the provision of and reliance upon investment research into small issuers, including emerging growth companies and companies considering initial public offerings.

(b) CONTENTS OF STUDY.—The study required under subsection (a) shall consider—

(1) factors related to the demand for such research by institutional and retail investors;

(2) the availability of such research, including—

(A) the number and types of firms who provide such research;

(B) the volume of such research over time; and

(C) competition in the research market;

(3) conflicts of interest relating to the production and distribution of investment research;

(4) the costs of such research;

(5) the impacts of different payment mechanisms for investment research into small issuers, including whether such research is paid for by—

(A) hard-dollar payments from research clients;

(B) payments directed from the client's commission income (i.e., ''soft dollars''); or

(C) payments from the issuer that is the subject of such research;

(6) any unique challenges faced by minority-owned, women-owned, and veteran-owned small issuers in obtaining research coverage; and

(7) the impact on the availability of research coverage for small issuers due to—

(A) investment adviser concentration and consolidation, including any potential impacts of fund-size on demand for investment research of small issuers;

(B) broker and dealer concentration and consolidation, including any relationships between the size of the firm and allocation of resources for investment research into small issuers;

(C) Securities and Exchange Commission rules;

(D) registered national securities association rules;

(E) State and Federal liability concerns;

(F) the settlement agreements referenced in Securities and Exchange Commission Litigation Release No. 18438 (i.e., the ''Global Research Analyst Settlement''); and

(G) Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as implemented by the European Union (''EU'') member states (''MiFID II'').

(c) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Securities and Exchange Commission shall submit to Congress a report that includes—

(1) the results of the study required by subsection (a); and

(2) recommendations to increase the demand for, volume of, and quality of investment research into small issuers, including emerging growth companies and companies considering initial public offerings.

TITLE XXV—DEVELOPING AND EMPOWERING OUR ASPIRING LEADERS

SEC. 2501. DEFINITIONS.

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—

(1) revise the definition of a qualifying investment under paragraph (c) of section 275.203(l)–1 of title 17, Code of Federal Regulations, to include an equity security issued by a qualifying portfolio company, whether acquired directly from the company or in a secondary acquisition; and

(2) revise paragraph (a) of such section to require, as a condition of a private fund qualifying as a venture capital fund under such paragraph, that the qualifying investments of the private fund are predominantly qualifying investments that were acquired directly from a qualifying portfolio company.

TITLE XXVI—EXPANDING INVESTMENT IN SMALL BUSINESSES

SEC. 2601. SEC STUDY.

(a) IN GENERAL.—The Securities and Exchange Commission shall carry out a study of the 10 per centum threshold limitation applicable to the definition of a diversified company under section 5(b)(1) of the Investment Company Act of 1940 (15 U.S.C. 80a–5(b)(1)) and determine whether such threshold limits capital formation.

(b) CONSIDERATIONS.—In carrying out the study required under subsection (a), the Commission shall consider the following:

(1) The size and number of diversified companies that are currently restricted in their ability to own more than 10 percent of the voting shares in an individual company.

(2) If investing preferences of diversified companies have shifted away from companies with smaller market capitalizations.

(3) The expected increase in the availability of capital to small and emerging growth companies if the threshold is increased.

(4) The ability of registered funds to manage liquidity risk.

(5) Any other consideration that the Commission considers necessary and appropriate for the protection of investors.

(c) SOLICITATION OF PUBLIC COMMENTS.—In carrying out the study required under subsection (a), the Commission may solicit public comments.

(d) REPORT.—Not later than the end of the 180-day period beginning on the date of enactment of this Act, the Commission shall issue a report to the Congress, and make such report publicly available on the website of the Commission, containing—

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

(2) any legislative recommendations of the Commission, including any recommendation to update the 10 per centum threshold.

TITLE XXVII—PROMOTING TRANSPARENT STANDARDS FOR CORPORATE INSIDERS

SEC. 2701. SEC STUDY.

(a) STUDY.—

(1) IN GENERAL.—The Securities and Exchange Commission shall carry out a study of whether Rule 10b5–1 (17 C.F.R. 240.10b5–1) should be amended to—

(A) limit the ability of issuers and issuer insiders to adopt a plan described under paragraph (c)(1)(i)(A)(3) of Rule 10b5–1 (''trading plan'') when the issuer or issuer insider is permitted to buy or sell securities during issuer-adopted trading windows;

(B) limit the ability of issuers and issuer insiders to adopt multiple, overlapping trading plans;

(C) establish a mandatory delay between the adoption of a trading plan and the execution of the first trade pursuant to such a plan and, if so and depending on the Commission's findings with respect to subparagraph (A)—

(i) whether any such delay should be the same for trading plans adopted during an issuer-adopted trading window as opposed to outside of such a window; and

(ii) whether any exceptions to such a delay are appropriate;

(D) limit the frequency that issuers and issuer insiders may modify or cancel trading plans;

(E) require issuers and issuer insiders to file with the Commission trading plan adoptions, amendments, terminations and transactions; or

(F) require boards of issuers that have adopted a trading plan to—

(i) adopt policies covering trading plan practices;

(ii) periodically monitor trading plan transactions; and

(iii) ensure that issuer policies discuss trading plan use in the context of guidelines or requirements on equity hedging, holding, and ownership.

(2) ADDITIONAL CONSIDERATIONS.—In carrying out the study required under paragraph (1), the Commission shall consider—

(A) how any such amendments may clarify and enhance existing prohibitions against insider trading;

(B) the impact any such amendments may have on the ability of issuers to attract persons to become an issuer insider;

(C) the impact any such amendments may have on capital formation;

(D) the impact any such amendments may have on an issuer's willingness to operate as a public company; and

(E) any other consideration that the Commission considers necessary and appropriate for the protection of investors.

(b) REPORT.—Not later than the end of the 1-year period beginning on the date of the enactment of this Act, the Commission shall issue a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate containing all findings and determinations made in carrying out the study required under section (a).

(c) RULEMAKING.—After the completion of the study required under subsection (a), the Commission shall, subject to public notice and comment, revise Rule 10b5–1 consistent with the results of such study.

TITLE XXVIII—INVESTMENT ADVISER REGULATORY FLEXIBILITY IMPROVEMENT

SEC. 2801. DEFINITION OF SMALL BUSINESS OF SMALL ORGANIZATION.

Not later than end the of the 1-year period beginning on the date of the enactment of this Act, the Securities and Exchange Commission shall revise the definitions of a ''small business'' and ''small organization'' under section 275.0–7 of title 17, Code of Federal Regulations, to provide alternative methods under which a business or organization may qualify as a ''small business'' or ''small organization'' under such section. In

making such revision, the Commission shall consider whether such alternative methods should include a threshold based on the number of non-clerical employees of the business or organization.

TITLE XXIX—ENHANCING MULTI-CLASS SHARE DISCLOSURES

SEC. 2901. DISCLOSURE RELATING TO MULTI-CLASS SHARE STRUCTURES.

Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended by adding at the end the following:

''(k) DISCLOSURE FOR ISSUERS WITH MULTI-CLASS SHARE STRUCTURES.—

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

''(2) CONTENT.—A disclosure made under paragraph (1) shall include, with respect to each person who is a director, director nominee, or named executive officer of the issuer, or who is the beneficial owner of securities with 5 percent or more of the total combined voting power of all classes of securities entitled to vote in the election of directors—

''(A) the number of shares of all classes of securities entitled to vote in the election of directors beneficially owned by such person, expressed as a percentage of the total number of the outstanding securities of the issuer entitled to vote in the election of directors; and

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

''(3) MULTI-CLASS SHARE STRUCTURE.—In this subsection, the term 'multi-class share structure' means a capitalization structure that contains 2 or more classes of securities that have differing amounts of voting rights in the election of directors.''.

TITLE XXX—NATIONAL SENIOR INVESTOR INITIATIVE

SEC. 3001. SENIOR INVESTOR TASKFORCE.

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

''(k) SENIOR INVESTOR TASKFORCE.—

''(1) ESTABLISHMENT.—There is established within the Commission the Senior Investor Taskforce (in this subsection referred to as the 'Taskforce').

''(2) DIRECTOR OF THE TASKFORCE.—The head of the Taskforce shall be the Director, who shall—

''(A) report directly to the Chairman; and

''(B) be appointed by the Chairman, in consultation with the Commission, from among individuals—

''(i) currently employed by the Commission or from outside of the Commission; and

''(ii) having experience in advocating for the interests of senior investors.

''(3) STAFFING.—The Chairman shall ensure that—

''(A) the Taskforce is staffed sufficiently to carry out fully the requirements of this subsection; and

''(B) such staff shall include individuals from the Division of Enforcement, Office of Compliance Inspections and Examinations, and Office of Investor Education and Advocacy.

''(4) MINIMIZING DUPLICATION OF EFFORTS.—In organizing and staffing the Taskforce, the Chairman shall take such actions as may be necessary to minimize the duplication of efforts within the divisions and offices described under paragraph (3)(B) and any other divisions, offices, or taskforces of the Commission.

''(5) FUNCTIONS OF THE TASKFORCE.—The Taskforce shall—

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

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

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

''(D) consult, as appropriate, with State securities and law enforcement authorities, State insurance regulators, and other Federal agencies.

''(6) REPORT.—The Taskforce, in coordination, as appropriate, with the Office of the Investor Advocate and self-regulatory organizations, and in consultation, as appropriate, with State securities and law enforcement authorities, State insurance regulators, and Federal agencies, shall issue a report every 2 years to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives, the first of which shall not be issued until after the report described in section 3002 of the JOBS and Investor Confidence Act of 2018 has been issued and considered by the Taskforce, containing—

''(A) appropriate statistical information and full and substantive analysis;

''(B) a summary of recent trends and innovations that have impacted the investment landscape for senior investors;

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

''(D) key observations, best practices, and areas needing improvement, involving senior investors identified during examinations, enforcement actions, and investor education outreach;

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

''(F) an analysis with regard to existing policies and procedures of brokers, dealers, investment advisers, and other market participants related to senior investors and senior investor-related topics and whether these policies and procedures need to be further developed or refined;

''(G) recommendations for such changes to the regulations, guidance, and orders of the Commission and self-regulatory organizations and such legislative actions as may be appropriate to resolve problems encountered by senior investors; and

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

''(7) SUNSET.—The Taskforce shall terminate after the end of the 10-year period beginning on the date of the enactment of this subsection, but may be reestablished by the Chairman.

''(8) SENIOR INVESTOR DEFINED.—For purposes of this subsection, the term 'senior investor' means an investor over the age of 65.''.

SEC. 3002. GAO STUDY.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress and the Senior Investor Taskforce the results of a study on the economic costs of the financial exploitation of senior citizens.

(b) CONTENTS.—The study required under subsection (a) shall include information with respect to—

(1) costs—

(A) associated with losses by victims that were incurred as a result of the financial exploitation of senior citizens;

(B) incurred by State and Federal agencies, law enforcement and investigatory agencies, public benefit programs, public health programs, and other public programs as a result of the financial exploitation of senior citizens; and

(C) incurred by the private sector as a result of the financial exploitation of senior citizens; and

(2) any other relevant costs that—

(A) result from the financial exploitation of senior citizens; and

(B) the Comptroller General determines are necessary and appropriate to include in order to provide Congress and the public with a full and accurate understanding of the economic costs resulting from the financial exploitation of senior citizens in the United States.

(c) SENIOR CITIZEN DEFINED.—For purposes of this section, the term ''senior citizen'' means an individual over the age of 65.

TITLE XXXI—MIDDLE MARKET IPO UNDERWRITING COST

SEC. 3101. STUDY ON IPO FEES.

(a) STUDY.—The Securities and Exchange Commission, in consultation with the Financial Industry Regulatory Authority, shall carry out a study of the costs associated with small- and medium-sized companies to undertake initial public offerings (''IPOs''). In carrying out such study, the Commission shall—

(1) consider the direct and indirect costs of an IPO, including—

(A) fees, such as gross spreads paid to underwriters, IPO advisors, and other professionals;

(B) compliance with Federal and State securities laws at the time of the IPO; and

(C) such other IPO-related costs as the Commission determines appropriate;

(2) compare and analyze the costs of an IPO with the costs of obtaining alternative sources of financing and of liquidity;

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

(4) analyze the impact of these costs on the availability of public securities of small- and medium-sized companies to retail investors; and

(5) analyze trends in IPOs over a time period the Commission determines is appropriate to analyze IPO pricing practices, considering—

(A) the number of IPOs;

(B) how costs for IPOs have evolved over time, including fees paid to underwriters, investment advisory firms, and other professions for services in connection with an IPO;

(C) the number of brokers and dealers active in underwriting IPOs;

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

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

(F) any other consideration the Commission considers necessary and appropriate.

(b) REPORT.—Not later than the end of the 360-day period beginning on the date of the enactment of this Act, the Commission shall issue a report to the Congress containing all findings and determinations made in carrying out the study required under subsection (a) and any administrative or legislative recommendations the Commission may have.

TITLE XXXII—CROWDFUNDING AMENDMENTS

SEC. 3201. CROWDFUNDING VEHICLES.

(a) AMENDMENTS TO THE SECURITIES ACT OF 1933.—The Securities Act of 1933 (15 U.S.C. 77a et seq.) is amended—

(1) in section 2(a) (15 U.S.C. 77b(a)), by adding at the end the following:

''(20) The term 'crowdfunding vehicle' has the meaning given the term in section 3(c)(15)(B) of the Investment Company Act of 1940 (15 U.S.C. 80a–3(c)(15)(B)).'';

(2) in section 4(a)(6) (15 U.S.C. 77d(a)(6))—

(A) in subparagraph (A)—

(i) by inserting '', other than a crowdfunding vehicle,'' after ''sold to all investors''; and

(ii) by inserting ''other than a crowdfunding vehicle,'' after ''the issuer,''; and

(B) in subparagraph (B), in the matter preceding clause (i), by inserting '', other than a crowdfunding vehicle,'' after ''any investor''; and

(3) in section 4A(f) (15 U.S.C. 77d–1(f))—

(A) in the matter preceding paragraph (1), by striking ''Section 4(6)'' and inserting ''Section 4(a)(6)''; and

(B) in paragraph (3), by inserting ''by any of paragraphs (1) through (14) of'' before ''section 3(c)''.

(b) AMENDMENTS TO THE INVESTMENT COMPANY ACT OF 1940.—Section 3(c) of the Investment Company Act of 1940 (15 U.S.C. 80a–3(c)) is amended by adding at the end the following:

''(15)(A) Any crowdfunding vehicle.

''(B) For purposes of this paragraph, the term 'crowdfunding vehicle' means a company—

''(i) the purpose of which (as set forth in the organizational documents of the company) is limited to acquiring, holding, and disposing of securities issued by a single company in 1 or more transactions made under section 4(a)(6) of the Securities Act of 1933 (15 U.S.C. 77d(a)(6));

''(ii) that issues only 1 class of securities;

''(iii) that receives no compensation in connection with the acquisition, holding, or disposition of securities described in clause (i);

''(iv) no investment adviser or associated person of which receives any compensation on the basis of a share of capital gains upon, or capital appreciation of, any portion of the funds of an investor of the company;

''(v) the securities of which have been issued in a transaction made under section 4(a)(6) of the Securities Act of 1933 (15 U.S.C. 77d(a)(6)), where both the crowdfunding vehicle and the company whose securities the crowdfunding vehicle holds are co-issuers;

''(vi) that is current with respect to ongoing reporting requirements under section 227.202 of title 17, Code of Federal Regulations, or any successor regulation;

''(vii) that holds securities of a company that is subject to ongoing reporting requirements under section 227.202 of title 17, Code of Federal Regulations, or any successor regulation; and

''(viii) that is advised by an investment adviser that is—

''(I) registered under the Investment Advisers Act of 1940 (15 U.S.C. 80b–1 et seq.); and

''(II) required to—

''(aa) disclose to the investors of the company any fees charged by the investment adviser; and

''(bb) obtain approval from a majority of the investors of the company with respect to any increase in the fees described in item (aa).''.

(c) AMENDMENTS TO THE INVESTMENT ADVISERS ACT OF 1940.—The Investment Advisers Act of 1940 (15 U.S.C. 80b–1 et seq.) is amended—

(1) in section 202(a) (15 U.S.C. 80b–2(a))—

(A) by redesignating the second paragraph (29) as paragraph (31); and

(B) by adding at the end the following:

''(32) The term 'crowdfunding vehicle' has the meaning given the term in section 3(c)(15)(B) of the Investment Company Act of 1940 (15 U.S.C. 80a–3(c)(15)(B)).

''(33)(A) The term 'crowdfunding vehicle adviser' means an investment adviser that acts as an investment adviser solely with respect to crowdfunding vehicles.

''(B) A determination, for the purposes of subparagraph (A), regarding whether an investment adviser acts as an investment adviser solely with respect to crowdfunding vehicles shall not include any consideration of the activity of any affiliate of the investment adviser.'';

(2) in section 203 (15 U.S.C. 80b–3), by adding at the end the following:

''(o) CROWDFUNDING VEHICLE ADVISERS.—

''(1) IN GENERAL.—A crowdfunding vehicle adviser shall be required to register under this section.

''(2) TAILORED REQUIREMENTS.—As necessary or appropriate in the public interest and for the protection of investors, and to promote efficiency, competition, and capital formation, the Commission may tailor the requirements under section 275.206(4)–2 of title 17, Code of Federal Regulations, with respect to the application of those requirements to a crowdfunding vehicle adviser.''; and

(3) in section 203A(a) (15 U.S.C. 80b–3a(a))—

(A) in paragraph (1)—

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

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

(iii) by adding at the end the following:

''(C) is a crowdfunding vehicle adviser.''; and

(B) in paragraph (2)—

(i) in subparagraph (A), by inserting ''a crowdfunding vehicle adviser,'' after ''unless the investment adviser is''; and

(ii) in subparagraph (B)(ii), in the matter preceding subclause (I), by inserting ''except with respect to a crowdfunding vehicle adviser,'' before ''has assets''.

SEC. 3202. CROWDFUNDING EXEMPTION FROM REGISTRATION.

Section 12(g)(6) of the Securities Exchange Act of 1934 (15 U.S.C. 781(g)(6)) is amended—

(1) by striking ''The Commission'' and inserting the following:

''(A) IN GENERAL.—The Commission'';

(2) in subparagraph (A), as so designated, by striking ''section 4(6)'' and inserting ''section 4(a)(6)''; and

(3) by adding at the end the following:

''(B) TREATMENT OF SECURITIES ISSUED BY CERTAIN ISSUERS.—

''(i) IN GENERAL.—An exemption under subparagraph (A) shall be unconditional for securities offered by an issuer that had a public float of less than $75,000,000, as of the last business day of the most recently completed semiannual period of the issuer, which shall be calculated in accordance with clause (ii).

''(ii) CALCULATION.—

''(I) IN GENERAL.—A public float described in clause (i) shall be calculated by multiplying the aggregate worldwide number of shares of the common equity securities of an issuer that are held by non-affiliates by the price at which those securities were last sold (or the average bid and asked prices of those securities) in the principal market for those securities.

''(II) CALCULATION OF ZERO.—If a public float calculation under subclause (I) with respect to an issuer is zero, an exemption under subparagraph (A) shall be unconditional for securities offered by the issuer if the issuer had annual revenues of less than $50,000,000, as of the most recently completed fiscal year of the issuer.''.

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

The Chair recognizes the gentleman from Texas.

GENERAL LEAVE

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on this bill.

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

There was no objection.

Mr. HENSARLING. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, two things that are vital to the American economy: number one, 3 percent economic growth, and number two, competing with China.

Three percent economic growth, Mr. Speaker, is so important because, when you look at the history of America, if you look at jobs that are created, if you look at increasing incomes, if you look at decreasing unemployment, this happens in our 3 percent-plus growth years, and that is why it is so great that America is once again seeing 3 percent-plus economic growth.

But, Mr. Speaker, can we keep it?

There are some alarming trends that we have to arrest, and that is that, unfortunately, entrepreneurship, that is, launching new businesses, recently hit a generational low. Companies that are going public—and 90 percent of the jobs that a company creates happen after they go public, IPOs, initial public offerings—they have been in a decline, a 20-year decline, and they have reached a new low.

If we look at what China is trying to do with their 2025 program, Mr. Speaker, and dominate the world in high tech and then we turn around and we see that China has over a third of the world's IPOs, America—our decline is now down to 11 percent—has got to change.

So thus, today, we are taking up the JOBS and Investor Confidence Act, also known as the JOBS Act 3.0.

What we are trying to do, Mr. Speaker, number one, we are doing it on a bipartisan basis, but we are trying to ensure that our entrepreneurs at least don't face the challenge of having the capital they need to launch their companies, because, Mr. Speaker, when we have more small businesses that are launching new enterprises and going public and staying public, these are the Amazons and the Googles and the Microsofts of the future.

So, again, Members on both sides of the aisle have come together because, historically, capital formation has been a bipartisan issue here. We have come together, Democrat and Republican, to make sure that these small

businesses get this start. And we try to treat the whole capital formation ecosystem, from venture capital with the HALOS Act and helping accredited investors be able to bring their capital to the table, to early growth companies and how they have to handle the very expensive 404(b) Sarbanes-Oxley provision, to the stages of companies going public, but once they go public, Mr. Speaker, the ability to stay public, and so we have a venture exchange bill to make sure that they can concentrate their liquidity in one area.

So this is important. It is important to keep 3 percent economic growth. It is important that America's garages have fewer old cars, more new startups.

I want to thank Members on both sides of the aisle, but I especially want to thank the ranking member, the gentlewoman from California, working so strongly and fervently and on a good, bipartisan, cooperative basis to produce the JOBS and Investor Confidence Act.

Mr. Speaker, I expect that we can have a strong bipartisan vote on the floor, and I reserve the balance of my time.

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

Mr. Speaker, this bill is an example of true bipartisanship. I want to thank Chairman HENSARLING, the members of the Financial Services Committee, and the staff on both sides of the aisle for their work on this legislative package.

S. 488, the JOBS and Investor Confidence Act of 2018, is evidence that Democrats and Republicans can come together to strengthen our Nation's small businesses and entrepreneurs, bolster investor confidence, protect consumers, promote financial stability, and counter human and drug trafficking.

S. 488 helps small businesses grow by encouraging capital formation and requires the Securities and Exchange Commission to consider unique issues facing rural small businesses and small investment advisers. When entrepreneurs are looking to retire, S. 488 allows them to easily sell their businesses.

The bill also requires several rulemakings and studies to encourage small businesses to go public, including by protecting them from excessive underwriting fees.

Main Street investors and consumers also benefit from S. 488. One provision, which I authored, cracks down on corporate insiders engaged in illegal insider trading.

Democrats also led provisions to enhance disclosures about outsized insider voting power.

The bill also creates a task force at the SEC to protect seniors and their financial best interests.

Additionally, the bill helps nonprofits, like Habitat for Humanity, continue to extend affordable mortgages to low-income families aspiring to the dream of homeownership.

Thanks to Mr. ELLISON, the legislation enables millions of Americans with thin credit files to improve and build their credit by allowing alternative types of data, like the on-time payment of rent and utilities, to be included in their credit reports without preempting State law.

S. 488 also improves financial stability. The bill directs regulators to improve the calculation for bank capital held to offset risk in the options and derivatives markets so that riskier products are covered by more capital.

Finally, S. 488 strengthens our government's efforts to stop drug and human trafficking by preventing criminals who engage in these unconscionable acts from accessing the financial system.

There are several provisions that we did not reach bipartisan agreement on in time, including reforms to private offerings under regulation D that requires issuers to file disclosures before their first sell and after the termination of the offering. I am pleased that the chairman has offered to continue working on this and other issues with me, and I hope that the Senate has its own chance to make these and other changes.

Throughout my work on this legislation, I insisted that nothing could be included that would weaken Dodd-Frank's financial reforms, harm consumers, or provide giveaways to Wall Street. Instead, building on the bipartisan work of the Financial Services Committee, S. 488 includes measures that will help small businesses grow and protect hardworking Americans who entrust their savings to the capital markets.

Mr. Speaker, I again thank my colleagues for their strong bipartisan support on this legislation, and I reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. HUIZENGA), the chairman of the Capital Markets, Securities, and Investments Subcommittee, the real leader of this capital formation package on the Republican side of the aisle, and also the sponsor of two provisions of the bill: H.R. 477, the Small Business Mergers, Acquisitions, Sales, and Brokerage Simplification Act, and H.R. 6139, the Improving Investment Research for Small and Emerging Issuers Act.

□ 1530

Mr. HUIZENGA. Mr. Speaker, I thank the chairman for the opportunity to lead this effort.

Mr. Speaker, the United States has the strongest, deepest, and most liquid markets in the world, which has helped hardworking Americans save for everything from college, to home ownership, to retirement.

However, over time, our capital markets have become, frankly, less stable, less efficient, and less liquid due to the one-size-fits-all securities regulations currently in place. In fact, small and midsized companies, which are the heartbeat of the American economy, are struggling the most because of this outdated regulatory structure. They have the most difficult time obtaining the necessary capital and financial resources needed in order to expand and create jobs because they are drowning in regulation and increased compliance costs.

Although the bipartisan Jumpstart Our Business Startups Act, JOBS Act, back from a few years ago was an important first step in helping appropriately tailor regulation and promote capital formation, particularly for the small and emerging growth companies, it is clear that Congress needs to do more.

Today's bill, the JOBS and Investor Confidence Act, is a compilation of 32 bipartisan bills that will promote capital formation and ensure that our regulatory structure is appropriately tailored to allow the free flow of capital, strengthen job creation, and increase economic growth.

Mr. Speaker, our economy is finally starting to fire on all cylinders. With this reform-minded legislation, we can further unleash American innovation, economic growth, and job creation while providing greater investment opportunities for Mr. and Mrs. 401(k). Today, we can deliver some very commonsense regulatory relief, while also providing an important layer of investor protections, and make our capital markets even more efficient.

By voting in support of this important progrowth jobs package, we can open the door to innovation, enhance small-business job creation, and increase opportunity for hardworking Americans in west Michigan and across the Nation.

Mr. Speaker, I urge all my colleagues to support S. 488, the JOBS and Investor Confidence Act, and, again, I say thank you to the chairman, the ranking member, and my subcommittee chair as well for their work.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. CAROLYN B. MALONEY), the ranking member of our Capital Markets, Securities, and Investment Subcommittee of the Financial Services Committee, and the leading sponsor and Democratic cosponsor of several of the bills in this package.

Mrs. CAROLYN B. MALONEY of New York. Mr. Speaker, I thank the gentlewoman for yielding and for her leadership.

Mr. Speaker, I rise in support of the JOBS and Investor Confidence Act, which will help in capital formation and help our economy grow. I want to thank Chairman HENSARLING and Ranking Member WATERS for all their hard work on this bipartisan package, which reflects a great deal of work by all of us on the Financial Services Committee.

In this package are 22 bills that came through the Capital Markets, Securities, and Investment Subcommittee on

which I serve with Chairman HUIZENGA as ranking member, and I thank him for his leadership in pushing this through.

This package includes one of my bills, the Family Office Technical Correction Act, which is a narrowly tailored solution that will allow family offices to better serve their clients. The bill would clarify that all family clients of a family office are sophisticated, accredited investors. This fixes a problem where, if just one family client of a family office isn't an accredited investor, then the entire family office can't buy any securities that are limited to accredited investors, like privately issued stocks or bonds.

The package also includes several other bills that I strongly support, such as Mr. HIMES' Middle Market IPO Underwriting Cost Act. This bill will require the SEC to study the costs associated with going public, and not just the regulatory costs that have been studied many times, but the much higher costs that are paid to the underwriters and other professionals when a company decides to go public.

Ranking Member WATERS also has a bill in this package that would require the SEC to study and fix a glaring loophole in our insider trading laws, where company executives can take advantage of a safe harbor to buy and sell stock in their own company based on material, nonpublic information.

Finally, the package includes a bill that would provide a badly needed update to the definition of a sophisticated accredited investor, which would allow people who can demonstrate that they are sophisticated in investment matters to qualify as an accredited investor.

Mr. Speaker, I urge all of my colleagues to support this bipartisan package.

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. CHABOT), who is the chairman of the House Small Business Committee and who has sponsored a very important provision in the package, H.R. 79, the Helping Angels Lead Our Startups Act.

Mr. CHABOT. Mr. Speaker, I thank the gentleman for yielding, and, Mr. Speaker, I rise in support of the JOBS and Investor Confidence Act of 2018.

Despite an improving economy, small businesses, entrepreneurs, and startups still face numerous challenges. One of the chief challenges that they face is access to capital, getting money.

As chairman of the House Small Business Committee, I am pleased to say that we have worked together in a bipartisan manner to pass one piece of legislation that is contained in this, and we support the whole bill, but this one is the HALOS Act, or Helping Angels Lead Our Startups Act.

The HALOS Act would improve how investors and small businesses get together at events, called demo days, where the people who have the money and people who need the money can actually get together and streamline some of the problems that they now face.

From my State of Ohio, to California, to New York State, all over the country, small businesses are the job creators. Seventy percent of the new jobs in America are created by small businesses.

Mr. Speaker, I want to thank Chairman HENSARLING for working with the Small Business Committee and including the HALOS Act in this very important legislation.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. DAVID SCOTT), a senior member of the Financial Services Committee and the leading Democratic cosponsor of several of the bills in this package.

Mr. DAVID SCOTT of Georgia. Mr. Speaker, I thank Ranking Member MAXINE WATERS for the excellent leadership she has provided in working with our chairman, JEB HENSARLING, in putting together this very good package.

I also want to thank my colleague, the gentleman from Georgia (Mr. LOUDERMILK), my Republican colleague, and his staff for his leadership on what is title 8, the exchange regulatory improvement title, which mirrors the work that I did, as the gentlewoman from California (Ms. MAXINE WATERS) mentioned, as the Democratic lead on H.R. 3555.

Mr. Speaker, I want to also mention that we spent about a year working on this because it was so important that we give clarification and modernization to the term ''facility.'' That term dates all the way back to 1934. That is 84 years ago. So we needed to make some changes because of the fact that there are many business lines, such as e-mortgage registries, data analytics, and regulatory compliance software, that are obsolete now and have nothing to do with and are completely unrelated to the exchange's core business, which is facilitating transactions.

What my colleague Mr. LOUDERMILK and I are simply trying to do is this: If there is a product or business that the exchange has that is totally unrelated to the transactions of the exchange, then that product should be exempt from SEC oversight. Our bill does this by simply asking the SEC, or Securities and Exchange Commission, to set forth the facts and the circumstances that it considers when determining whether a business line is, in fact, a facility.

I want to make this final point, and I want to be crystal clear here. It is vitally important that the SEC retain oversight of the important exchange functions.

The SPEAKER pro tempore. The time of the gentleman has expired.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield an additional 30 seconds to the gentleman.

Mr. DAVID SCOTT of Georgia. We ran out at 2 minutes there. But this is very important, because when you are making changes, you want to make clear that you are not taking away any important and critical oversight and authority from the SEC.

So I want to make a point that we work hard to make sure that the SEC retains oversight of important exchange functions, such as those related to exchange market data, listing standards, member and market regulation, colocation, and order routing services. We, the drafters of the bill, do not take away any authority from the SEC.

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the gentlewoman from Missouri (Mrs. WAGNER), the chair of our Oversight and Investigations Subcommittee, also the lead sponsor of an important provision in this package of bills, H.R. 5970, the Modernizing Disclosure for Investors Act.

Mrs. WAGNER. Mr. Speaker, I am proud to rise today in support of the JOBS and Investor Confidence Act of 2018, and I urge its immediate passage.

This progrowth legislation is a continuation of the work that our committee has done over the last year. We are tailoring regulations for small and midsized companies while protecting investors by giving them the broadest of investment opportunities. I am especially happy to see my bill, the Modernizing Disclosures for Investors Act, included in this package.

H.R. 5970 will go a long way in improving and simplifying disclosure requirements for small and emerging growth companies that, for years, have struggled with the size and the complexity of these quarterly financial reporting forms.

Mr. Speaker, I congratulate the chairman and the ranking member for their work to get this bipartisan bill to the floor. It was no small task. Again, I urge all Members to support this bipartisan legislation.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. HIMES), a member of the Financial Services Committee, the chair of the New Democrat Coalition, and the author of one of the bills in this package that ensures companies aren't paying excessive fees to go public.

Mr. HIMES. Mr. Speaker, I will start by thanking Chairman JEB HENSARLING and Ranking Member MAXINE WATERS for their great work on this bipartisan bill in which we stand up on both sides of the aisle today and urge our colleagues to vote for it.

This has been a gratifying effort to watch around a terribly important purpose, which is trying to do all we can, without damaging the safety and soundness of our financial system, to make sure that young companies, the lifeblood of our economy, the source of opportunity for so many people, are given the opportunity to get started to pick up momentum and ultimately to provide the products and jobs that so benefit our communities.

I am standing today, in particular, to highlight an element of this bill that I

am very grateful was included, which is title 31. Title 31 would call for a study around one of the biggest expenses that young companies that are about to go public face. That is the cost of going public, the cost that is charged in the form of a growth spread and other costs associated with the act of going public.

We want our companies trading on the public markets. It is a good source of capital. It is a good opportunity, in many instances, for investors and retail investors, in particular, to participate.

Growth spreads in this country—that is, the fee for going public—have been remarkably constant over decades at 7 percent. That is a lot of money. For a $200 million IPO, which is not an atypical size, that is $14 million. That substantially exceeds the estimates that people make about what compliance with regulation costs.

I have seen estimates for the cost of compliance between $1 million and $3 million a year. In a $200 million IPO, $14 million is a huge amount of money at a very sensitive moment in a company's lifecycle.

This study would simply look at it to see if there are things that we could do to make this market more efficient, perhaps achieve better pricing, perhaps make it easier and less costly for more companies to access the public markets.

I stand in support of this bill, and urge its passage.

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky (Mr. BARR), the chair of our Monetary Policy and Trade Subcommittee.

Mr. BARR. Mr. Speaker, I rise today in support of the JOBS and Investor Confidence Act of 2018, and I thank the chairman for his leadership.

If America wants to compete in the 21st century economy, then we need 21st century capital formation rules.

□ 1545

Currently, many of the securities regulations governing startups and investors arise from 1930s-era statutes. Because of this outdated legal architecture, the number of business startups is at a 40-year low, and the number of companies going public is the lowest it has been in 20 years. The result is fewer high-paying jobs, less retirement security, slower capital formation, and weaker economic growth.

Fortunately, the JOBS and Investor Confidence Act modernizes our regulation of capital markets, enabling greater access to capital for small businesses and entrepreneurs. Coupled with historic tax cuts and major banking reform that was enacted into law earlier this year, this JOBS bill represents the next step in robust economic growth that will boost wages, unleash startup enterprises, and finance the future of American small businesses.

Mr. Speaker, I urge my colleagues to vote for the JOBS and Investor Confidence Act of 2018.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. FOSTER), who is a member of the Financial Services Committee and a leading Democratic cosponsor on several of the bills in this package.

Mr. FOSTER. Mr. Speaker, I thank Ranking Member WATERS for yielding.

I want to begin by recognizing the good work of the ranking member and the chairman and their staffs in compiling this capital formation package. I want to compliment the legislative skill shown by the ranking member and her staff in securing minority bills in this package, which I recognize involved a lot of give and take.

We are a long ways from where this Chamber was a little over 13 months ago when we voted in a very partisan manner on the Financial CHOICE Act. I am proud to support this package which contains a number of priorities which I supported in committee and on the floor.

I worked on two of these bills with my colleagues, Congressmen HILL and HULTGREN. While I know that there are many others who contributed to this package, I want to thank in particular Katelynn Bradley, Katy Strohmaier, and Lisa Peto of the ranking member's staff for helping draft these amendments that led to unanimous support for these two bills in committee.

First, the Options Markets Stability Act would direct the banking regulators to write rules to provide far more accurate circulations of counterparty credit risk for options and derivatives. Under the current exposure method used today, banks that centrally clear trades today on behalf of their clients must hold capital against the total notional value of any positions without regard for the way hedges offset risk.

This bill directs the regulators to implement a framework that incentivizes central clearing of options and derivatives, which is a major part of our response in the Dodd-Frank bill that has provided financial stability for the last 8 years.

The second bill is the Cooperate With Law Enforcement Agencies and Watch Act. This bill creates a safe harbor for financial institutions and money service businesses from the Bank Secrecy Act so long as they have a letter from law enforcement asking for a specific account to be kept open. Law enforcement agencies often send these letters so that they can follow the money and obtain crucial evidence in investigations. This bill will encourage bank cooperation with these letters which are otherwise optional because it eliminates a situation of technical noncompliance.

Other provisions in this package will improve transparency in markets which drives investor demand from around the world.

The SPEAKER pro tempore. The time of the gentleman has expired.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield the gentleman from Illinois an additional 20 seconds.

Mr. FOSTER. Other provisions in this bill will simply make our capital markets work better.

I applaud the bipartisanship of the ranking member and the chairman, and I look forward to further improvements in the regulatory landscape as our markets evolve.

Mr. Speaker, I urge all of my colleagues to support this bill.

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. HULTGREN), who is the vice-chairman of our Capital Markets, Securities, and Investment Subcommittee.

Mr. HULTGREN is the lead sponsor of two provisions of the bill, H.R. 5749, the Options Market Stability Act, and H.R. 6319, the Expanding Investment in Small Businesses Act.

Mr. HULTGREN. Mr. Speaker, I first want to thank Chairman HENSARLING and Ranking Member WATERS for their hard work in crafting this bipartisan package of bills.

If enacted, this much-needed legislation will deliver American small businesses and entrepreneurs improved access to capital, which we all know is the foundation for driving job creation and economic growth.

I am pleased that two of my bills, which are very important to a number of stakeholders in Illinois, were included in this package. The Options Markets Stability Act will help maintain options for investors and support their ability to manage risk in volatile markets.

The Expanding Investment in Small Businesses Act requires the SEC to study and provide a recommendation to Congress regarding the current limit on percentage of voting shares a diversified company may hold in a single issuer, which is currently discouraging funds from investing in small businesses.

Mr. Speaker, I urge my colleagues to support this job-creating legislation.

The SPEAKER pro tempore. The gentleman from Texas has 10½ minutes remaining. The gentlewoman from California has 7¼ minutes remaining.

Ms. MAXINE WATERS of California. Will the Speaker please check the minutes again? We have calculated differently, and we think I have 9 minutes.

The SPEAKER pro tempore. The Chair has reviewed the time, and the Chair states that the Chair's announcement is correct.

Ms. MAXINE WATERS of California. I am sorry. What is the Chair saying about the time that I have remaining?

The SPEAKER pro tempore. The gentlewoman has 7¼ minutes remaining.

Ms. MAXINE WATER of California. Mr. Speaker, I yield 2 minutes to the gentlewoman from Arizona (Ms. SINEMA), who is a member of the Financial Services Committee and the leading author of a bill in this package.

Ms. SINEMA. Mr. Speaker, I rise today in support of the JOBS and Investor Confidence Act of 2018. This is a true bipartisan compromise, and I thank Chairman HENSARLING and Ranking Member WATERS for their leadership and willingness to work across the aisle.

Mr. Speaker, every day I hear from Arizonans who are sick and tired of the dysfunction in Washington. Arizonans want Congress focused on job creation and national security, which is why this package includes three bills I helped introduce that create good-paying jobs and fight drug cartels that threaten the safety of our border communities.

First, I introduced the Fostering Innovation Act to deliver regulatory relief to cutting-edge biotech companies like HTG Molecular Diagnostics in Tucson that are hiring Arizonans into good-paying jobs. Our bill cuts red tape to ensure HTG and other innovative biotech companies can expand their high-wage workforces and develop life-saving medical breakthroughs.

I am also a cosponsor of the HALOS Act to help turn good Arizona ideas into successful Arizona startups. ASU's SkySong Innovation Center is a start-up incubator that helps these ideas and visions turn into companies and careers, and the HALOS Act cuts red tape to help Arizona startups access the capital they need to thrive. That means more good-paying jobs all over our State.

To protect Arizonans from violent drug cartels, I am an original cosponsor of the National Strategy to Combat the Financing of Transnational Criminal Organizations Act. This bill requires the administration to take a tough but smart step to combat drug and human trafficking, cybercrime, money laundering, and other issues that these criminals bring to our communities.

Mr. Speaker, I will continue to work with anyone willing to get things done and deliver for Arizona.

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. DUFFY), who is the chairman of our Housing and Insurance Subcommittee. Mr. DUFFY is the sponsor of a provision of this bill, H.R. 4537, the International Insurance Standards Act.

Mr. DUFFY. Mr. Speaker, I want to thank the chairman for his great bipartisan work on this package in S. 488, as well as the ranking member, Ms. WATERS, for her bipartisanship.

This is a package that takes the finer work, not just over the last 2 years, but work over the last 4 to 6 years of Chairman HENSARLING's leadership, puts them together where we have had Democrat, Republican, House, and Senate agreement on into a package that can hopefully make our markets and our economy work better.

I want to thank the chairman and the ranking member for including in this package our international insurance standards bill. This is a bill that was on the floor last week. It passed with a unanimous vote, which was fantastic. What we are trying to do is basically make sure that we maintain in international agreements our State-based model of insurance, that that doesn't get undermined. If we are going to undermine State-based insurance, it should come through this institution and not through an international agreement.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield 2 minutes to the gentlewoman from Ohio (Mrs. BEATTY), who is a member of the Financial Services Committee who helped ensure that this bill cracks down on the use of digital currency in human trafficking.

Mrs. BEATTY. Mr. Speaker, I rise today in strong support of this bipartisan package brought to the floor today under the leadership of Chairman HENSARLING and Ranking Member WATERS.

It is not every day the American people get to see bipartisanship in action, so it is important for Members today to highlight it when it does occur because it really should be the rule of the people's House, not the exception.

Technology and finance evolves by the hour in today's world, and this bipartisan package will update our laws to better adapt to that reality while also encouraging the American entrepreneur to innovate and solve the problems of tomorrow.

As a businesswoman, I understand that this package will help create the businesses of tomorrow and at the same time enhance transparency in today's public markets while simultaneously combating the scourge of human trafficking.

I am proud to have worked with my colleague from the other side of the aisle, Mr. ROYCE, to include language in this bill that requires the administration to more closely examine and create solutions for Congress to consider how human traffickers use emerging technologies and virtual currencies to launder money through the global banking system in hope of slowing the fastest growing crime in the world.

My home State of Ohio ranks fourth in the country for human trafficking cases according to our State Attorney General's office.

Mr. Speaker, I thank our ranking member again for allowing me the opportunity to push my bill. Working together is the only way we can end this inhumane practice.

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina (Mr. PITTENGER), who is the vice-chairman of the Financial Services Subcommittee on Terrorism and Illicit Finance.

Mr. PITTENGER. Mr. Speaker, I rise today in strong support of the House amendment to the JOBS and Investor Confidence Act. This bill that was cosponsored with my good friend, KEITH ELLISON from Minnesota, is part of 32 combined bills.

Our bill, the Credit Accuracy and Inclusion Act, will allow 100 million Americans to gain better access to credit. That is what this bill is all about. Just think about it: an individual now can take their rent payment, their car payment, and their utility payment and use that to apply toward increasing their better credit application to the credit reporting agencies.

Mr. Speaker, I commend this bill. This is important for our economy, and it is important for the American people to be able to go out in the market and acquire what they need to acquire in homes and cars to build their own wealth.

So I thank the leadership, I thank Mr. HENSARLING, and I thank Ms. WATERS for her leadership in this bill, and I commend them for this bipartisan effort.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. GOTTHEIMER), who is a member of the Financial Services Committee and author of one of the bills in this package.

Mr. GOTTHEIMER. Mr. Speaker, I rise in support of the JOBS and Investor Confidence Act. This important bipartisan package includes my Senior Security Act which seeks to protect seniors from financial scammers and help them save for retirement.

I am committed to helping seniors keep their hard-earned money for retirement so they can afford to stay in New Jersey and enjoy their lives and times with their kids and grandkids. We need to protect Social Security and Medicare, cut taxes, and cut costs for our seniors. We need to do so by working with both sides of the aisle, with Democrats and Republicans.

For decades, the Greatest Generation has supported their families and communities, making America the greatest country in the world. Now we need to commit to fighting for them by stopping financial predators from scamming seniors out of their savings.

Older Americans are criminally defrauded of $13 billion annually, in most cases by friends, family members, or caregivers. With more than 10,000 Americans turning 65 every day through 2030, we can't afford this any longer.

The Senior Security Act will identify problems that seniors face while saving, making recommendations to Congress to help seniors save their hard-earned money.

Mr. Speaker, I want to thank Chairman HENSARLING and Ranking Member WATERS for their bipartisan work on this package of Financial Services bills. I also want to thank Congressman HOLLINGSWORTH and Congresswoman SINEMA for helping co-lead the Senior Security Act, working hard to strike a bipartisan compromise. Together we work to protect seniors from malicious scammers and ensure our seniors have the savings they need and deserve in their golden years.

Mr. Speaker, I urge passage of the JOBS and Investor Confidence Act.

□ 1600

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. ROTHFUS), the vice chairman of our Financial Institutions Subcommittee, who is also the lead Republican sponsor of one of the bills in the package, H.R. 6069, the Fight Illicit Networks and Detect Trafficking Act.

Mr. ROTHFUS. Mr. Speaker, I want to thank Chairman HENSARLING and Ranking Member WATERS, as well as members of the Financial Services Committee from both parties, for this important bipartisan piece of legislation.

Small and emerging businesses drive our economy, create jobs for American workers, and are at the forefront of technological change. We need to create the conditions where these ventures can access the capital they need to grow.

This legislation builds upon the successes of the JOBS Act and JOBS 2.0. The JOBS and Investor Confidence Act includes reforms that will make it easier for the next Microsoft or Amazon or the developer of the next lifesaving treatment to get off the ground. When coupled with the progrowth provisions of a revamped Tax Code, especially the Opportunity Zones program, this will bring capital to marginalized areas and create opportunity for all.

This package includes an important and, again, bipartisan bill that Congressman VARGAS and I introduced. The FIND Trafficking Act directs the Comptroller of the Currency to study how virtual currencies and online marketplaces can be misused by bad actors to trade in illicit goods or facilitate human trafficking. I thank the chairman for including this bill in the package.

Mr. Speaker, I urge all of my colleagues to support the passage of the JOBS and Investor Confidence Act.

Ms. MAXINE WATERS of California. Mr. Speaker, I reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. SHERMAN), a senior Democrat on the committee and the lead sponsor of the bill.

Mr. SHERMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to applaud the chair and the ranking member for a tour de force of bipartisanship: 32 bipartisan bills with near unanimous support in our committee, all put together in one outstanding package.

I want to thank them both for including in this the BUILD Act, introduced by Mr. LOUDERMILK and me. This bill will help Habitat for Humanity and similar organizations. It says that when they provide a zero percent loan, they can use the old disclosure forms or the new disclosure forms, whichever is easiest for them and whichever they have the software to produce.

This bill is supported by Habitat for Humanity International and the National Housing Conference. It passed our committee with a unanimous 53–0 recorded vote.

I want to thank both the chairman and the ranking member for including this legislation in an excellent package, and I urge a ''yes'' vote.

Ms. MAXINE WATERS of California. Mr. Speaker, I reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. WILLIAMS), the vice chairman of the Financial Services Subcommittee on Monetary Policy and Trade.

Mr. WILLIAMS. Mr. Speaker, I rise today in strong support of the JOBS and Investor Confidence Act of 2018, which is comprised of 32 pieces of legislation that have passed the committee or the House this Congress with wide bipartisan support.

As a small business owner, I know how suffocating Big Government can be for the little guy. The fact is small businesses makes up 90 percent of American companies and employ almost half of our workforce. We need to fight for them.

In order for the United States to compete with the global market, we must continue to sustain long-term economic growth, and that starts with the passage of the JOBS and Investors Confidence Act of 2018.

I am proud to join my colleagues on both sides of the aisle in support of this bipartisan legislation, and I am looking forward to the Senate passing this package quickly. Quite simply, business is good.

In God we trust.

Ms. MAXINE WATERS of California. Mr. Speaker, I continue to reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas (Mr. HILL), the majority whip of the committee and also the lead sponsor of H.R. 5783, the Cooperate with Law Enforcement Agencies and Watch Act, and who worked, also, extensively on H.R. 1585, the Fair Investment Opportunities for Professional Experts Act.

Mr. HILL. Mr. Speaker, a hardy congratulations to Chairman HENSARLING and the ranking member for this exceptional package, the JOBS and Investor Confidence Act. I support it, and I urge my colleagues to support it as well.

This important bill includes H.R. 1585, a bill that I worked on with my friends from Arizona, Ms. SINEMA and Mr. SCHWEIKERT, and a bill also supported and helped by Mrs. MALONEY of New York. I would like to highlight title IV.

This bill expands the accredited investor definition by recognizing the ability to participate in a private offering should not be based solely on an asset or an income test, but that individuals who have the sophistication should also be able to participate.

I have spent much of my career helping small companies obtain funding, helping them do private placements under regulation D. This has been a long time in coming. It is a matter of basic fairness, which will provide greater investment opportunities for more Americans and help our businesses grow and invest their capital faster.

I encourage all my colleagues to support this good measure.

Ms. MAXINE WATERS of California. Mr. Speaker, I continue to reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota (Mr. EMMER), who is the lead sponsor of a very important provision in the package, H.R. 5877, the Main Street Growth Act.

Mr. EMMER. Mr. Speaker, I rise today in support of the JOBS and Investor Confidence Act of 2018.

Terms like ''capital formation,'' ''liquidity,'' and ''qualified investor'' may sound like Washington jargon. In reality, they represent a few of the many important building blocks that drive our markets and create jobs and opportunity around our country.

On the heels of the largest regulatory relief effort in nearly a decade, the JOBS Act 3.0 will breathe new light into the entrepreneurial spirit that makes our country so special.

This package of nonpartisan reforms includes several policy changes to help small businesses and startups access the most liquid and vibrant markets in the world, including the text of our Main Street Growth Act, which the House unanimously adopted last week.

I appreciate the efforts of the chairman and the ranking member to bring this significant legislation to the floor, and I encourage all of my colleagues to support the continued growth of our economy and to vote ''yes'' on the JOBS Act 3.0.

Ms. MAXINE WATERS of California. Mr. Speaker, I continue to reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the gentleman from Georgia (Mr. LOUDERMILK), who is the lead sponsor of two provisions in the package: H.R. 3555, the Exchange Regulatory Improvement Act, and H.R. 5953, the earlier referenced BUILD Act.

Mr. LOUDERMILK. Mr. Speaker, let me thank Chairman HENSARLING for not only working on this bill, but working to include these two important provisions as part of this 32-bill strong, bipartisan package we are bringing forward today. This is going to go a long way for small business as well as consumers in this Nation.

I also want to thank Mr. MEEKS and Mr. SCOTT for working with me on the Exchange Regulatory Improvement Act, which passed the Financial Services Committee unanimously, and also Mr. SHERMAN for working with me on the BUILD Act, which also passed the committee unanimously.

I appreciate the bipartisan work we have seen come together on this bill,

and I want to echo my strong support with all of my colleagues in support of this bill.

Ms. MAXINE WATERS of California. Mr. Speaker, I continue to reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina (Mr. BUDD), the lead sponsor of one of the provisions in the bill, H.R. 3903, the Encouraging Public Offerings Act.

Mr. BUDD. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise today in strong support of this bipartisan JOBS and Investor Confidence Act, and I appreciate Chairman HENSARLING for his leadership on this capital formation package.

I want to highlight my own bill included in this package, H.R. 3903, the Encouraging Public Offerings Act, which allows issuers to submit to the SEC for confidential review, before publicly filing, draft registration statements for IPOs.

H.R. 3903 will reduce the risk to companies that are contemplating going public in order to make listing on exchanges more attractive, which, in the end, will only strengthen America's financial markets.

Mr. Speaker, the JOBS and Investor Confidence Act will make it easier for startups and small businesses in my district to attract the investments they need to go public, to grow, and to create more jobs. I am proud to support it.

Ms. MAXINE WATERS of California. Mr. Speaker, I have no further requests for time, and I yield myself the remainder of my time to close.

I once again thank my colleagues for their outstanding bipartisan work on this carefully crafted bipartisan legislation. S. 488, the JOBS and Investor Confidence Act of 2018, is an example of Members on both sides of the aisle working together to support our Nation's small businesses and investors.

S. 488 facilitates access to capital for small businesses, increases protections for consumers and investors, fights the scourge of drug and human trafficking, and promotes financial stability.

S. 488 is supported by institutional investors, angel investors, venture capitalists, biotech companies, credit unions, small businesses, entrepreneurs, and exchanges. This bill will help entrepreneurs, small businesses, and investors to thrive in our economy.

Finally, I would like to thank Mr. HENSARLING for his foresight in knowing that this was possible because both sides of the aisle really support small businesses. It was Mr. HENSARLING who said: Given that we do both support small businesses, why can't we come together around a package where we have already shown our support on individual bills either in committee or on the floor and put it all together?

He did that. He provided that leadership. I joined with him.

Our staffs are to be congratulated because they worked very hard on both sides of the aisle to work out any concerns that we may have, any differences that we may have. They did a magnificent job, and they are responsible for helping us to understand what certainly is and was possible.

So despite this, if I may say, there are many onlookers who never thought this could happen. There are many pundits, those who come from special interests, those who come from right here in the House on both sides of the aisle, who are still questioning.

The SPEAKER pro tempore (Mr. FRANCIS ROONEY of Florida). The time of the gentlewoman has expired.

Mr. HENSARLING. Mr. Speaker, I yield the gentlewoman from California an additional 30 seconds.

Ms. MAXINE WATERS of California. Mr. Speaker, I had one inquiry from one of the magazines, I believe it was, who said: Tell me what happened in the background, what was really going on. How did this all come together?

I want the gentleman from Texas to know I told him it is none of his business. It really happened, and we are pleased about it. We worked very hard on that.

Mr. Speaker, I thank Mr. HENSARLING and all of the members who worked so hard to make this happen, and I yield back the balance of my time.

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

The SPEAKER pro tempore. The gentleman from Texas has 1 minute remaining.

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

Indeed, Mr. Speaker, some would say the ranking member and I can't agree even on the time of day. I was told when this debate started that thunderstorms came over Washington, D.C., it was that monumental of an achievement.

But in seriousness, I do want to offer my thanks and my gratitude to the ranking member. She and her staff worked very constructively with us on this bill and the preceding important bill, the CFIUS reform, which we are still trying to work out our differences on with the Senate. But, long story short, we came together.

This is going to be an important day for small business. It is an important day for 3 percent economic growth, which is so important to American families.

I, too, want to echo how important the work of our staffs is. Particularly on the majority side, I wish to thank Kevin Edgar and Fritz Vaughan and their staff for their contribution.

This is going to make a difference, ultimately, because small businesses one day become big businesses. This will make a difference in economic growth for all Americans.

Mr. Speaker, I urge all Members to support the JOBS and Investor Confidence Act of 2018, and I yield back the balance of my time.

□ 1615

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. HENSARLING) that the House suspend the rules and pass the bill, S. 488, 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. HENSARLING. 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.

DEFENDING ECONOMIC LIVELIHOODS AND THREATENED ANIMALS ACT

Mr. ROYCE of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4819) to promote inclusive economic growth through conservation and biodiversity programs that facilitate transboundary cooperation, improve natural resource management, and build local capacity to protect and preserve threatened wildlife species in the greater Okavango River Basin of southern Africa, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4819

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 ''Defending Economic Livelihoods and Threatened Animals Act'' or the ''DELTA Act''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) The greater Okavango River Basin, which ranges from the highland plateau of Angola to northeastern Namibia and northern Botswana, and also provides critical natural resources that sustain wildlife in Zambia and Zimbabwe, is the largest freshwater watershed in southern Africa.

(2) The greater Okavango River Basin is the main source of water and livelihoods for over 1,000,000 people, and the effective management and protection of this critical watershed will help advance important conservation and economic growth objectives for Angola, Botswana, Namibia, local communities, and the broader region.

(3) The greater Okavango River Basin is home to the largest remaining elephant population in the world, as well as other threatened wildlife species.

(4) Poaching and trafficking of threatened wildlife species in the greater Okavango River Basin has increased in recent years, and has the potential to undermine regional stability by disrupting local governance and management of resources, and supplanting key economic opportunities for community members.

(5) Governments in the region have taken important steps to coordinate through existing conservation frameworks to combat trafficking, ensure responsible resource management, support local livelihoods, and protect threatened wildlife species.

SEC. 3. SENSE OF CONGRESS.

It is the sense of Congress that it is in the interest of the United States to engage, as