

course, deprives the USDA of the staff it needs to prevent the spread of food-borne disease.

Finally, I think the withdrawal of the United States from the World Health Organization and illegally ending American food programs also exposes the entire world and ultimately the United States to substantial risks. Remember that when somebody suffers from a disease abroad, that gives a chance for the disease to replicate, mutate, and then migrate back to the United States.

I feel that H.R. 1713 does improve CFIUS. I urge my Republican colleagues also to work to protect SNAP, the USDA, and our efforts at global health. I urge my colleagues to support this bill, and I reserve the balance of my time.

Mrs. WAGNER. Mr. Speaker, I yield such time as he may consume to the gentleman from Oklahoma (Mr. LUCAS).

Mr. LUCAS. Mr. Speaker, I rise today in support of my bill, H.R. 1713, the Agricultural Risk Review Act. My bill would make permanent the existing policy enacted under the Consolidated Appropriations Act for fiscal year 2024 and bolster our food security against foreign adversaries.

H.R. 1713 would amend the Defense Production Act to add the Secretary of Agriculture as a permanent member to the Committee on Foreign Investment in the United States, or CFIUS, for any transactions related to the purchase of farmland, biotechnology, or any other transaction related to the agricultural industry.

My bill also includes the Safeguarding American Farms from Foreign Influence Act authored last Congress by the former chairman of the Financial Services Subcommittee on National Security, Mr. LUETKEMEYER.

That section of the bill requires CFIUS to consider referrals from USDA for reportable agricultural land transactions prior to the interagency process that determines whether review of the transaction is warranted.

These bills received unanimous support when considered separately, and then when joined together were also reported favorably to the floor in a unanimous vote. These are commonsense measures in line with existing practices and current law.

CFIUS' mandate is to review transactions involving foreign investments in the United States to ensure such transactions do not threaten our national security. Agriculture is too important to our country's security to be left out.

Our geopolitical adversaries are eager to exploit vulnerabilities in critical supply chains, such as our food supply. The inclusion of the Secretary of Agriculture in reviews of agricultural transactions is just plain commonsense.

□ 1615

Mr. Speaker, my bill has been bipartisan across administrations. Former

Agriculture Secretary Perdue under the first Trump administration and former Agriculture Secretary Vilsack under the Biden administration agreed that having a permanent seat at the table is vital to the protection of our farmland and food supply.

I am also pleased to boast bipartisan support from the leadership of the House Financial Services Committee. This bill has passed unanimously out of the House Financial Services Committee for two Congresses now, and it is past time for it to become law.

From Hawaii and Washington to New York and Florida to my home State of Oklahoma, our Nation's agricultural land must be protected. That is why a bipartisan group of Members from over 20 States across the country have supported me in this effort.

I am grateful we took a positive step in the last Congress to include this language in our annual appropriations process, but we must cement this requirement in permanent law.

This legislation recognizes and supports the long-held understanding that food supply is a critical component of U.S. national security. I urge my colleagues to join me in supporting this bill.

Mr. SHERMAN. Mr. Speaker, I yield myself the balance of my time to close if the gentlewoman from Missouri has no further speakers, and apparently, she does not have further speakers.

This bill, H.R. 1713, encourages more permanent, coordinated communications between those who focus on agriculture and our national security experts at CFIUS.

I commend the gentleman from Oklahoma for his work on the committee on so many different issues. I urge my Republican colleagues not only to support this bill but to support the activities of the Department of Agriculture, including SNAP, food inspections, and other efforts designed to make sure that our food supply is safe, available, and secure.

Mr. Speaker, I urge my colleagues to support this bill, and I yield back the balance of my time.

Mrs. WAGNER. Mr. Speaker, in closing, there is a need to connect the Agriculture Department's expertise, including its longstanding tracking of farmland purchases, with CFIUS' operations.

I look forward to supporting this bill today. I urge my colleagues to do so and join me in supporting H.R. 1713, and I applaud Mr. LUCAS for this bill.

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 Missouri (Mrs. WAGNER) that the House suspend the rules and pass the bill, H.R. 1713, as amended.

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

A motion to reconsider was laid on the table.

## HELPING ANGELS LEAD OUR STARTUPS ACT OF 2025

Mrs. WAGNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3352) to require the Securities and Exchange Commission to revise rules relating to general solicitation or general advertising to allow for presentations or other communication made by or on behalf of an issuer at certain events, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3352

*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 "Helping Angels Lead Our Startups Act of 2025" or the "HALOS Act of 2025".*

### SEC. 2. CLARIFICATION OF GENERAL SOLICITATION.

(a) **DEFINITIONS.**—For purposes of this section and the revision of rules required under this section:

(1) **ANGEL INVESTOR GROUP.**—The term "angel investor group" means any group that—

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

(B) 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

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

(2) **ISSUER.**—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.

(b) **IN GENERAL.**—Not later than 6 months after the date of enactment of this Act, the Securities and Exchange Commission shall revise Regulation D (17 CFR 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, the District of Columbia, any State, a federally recognized Indian Tribe, a political subdivision of any State, territory, or federally recognized Indian Tribe, or 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) an incubator or accelerator;

(F) a venture forum, venture capital association, or trade association, other than an association created solely for the purpose of sponsoring an event described under this subsection; or

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

(2) that is not held in any facility that is owned or operated by a religious organization, other than an institution of higher education that is accredited and operated primarily for post-secondary education;

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

(4) 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 reasonable 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 one 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

(5) 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.

(c) **RULE OF CONSTRUCTION.**—Subsection (b) 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.

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

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Missouri (Mrs. WAGNER) and the gentleman from California (Mr. SHERMAN) each will control 20 minutes.

The Chair recognizes the gentlewoman from Missouri.

#### GENERAL LEAVE

Mrs. WAGNER. 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 gentlewoman from Missouri?

There was no objection.

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

Mr. Speaker, I rise in support of H.R. 3352, the Helping Angels Lead Our Startups Act, and I thank Congressman LAWLER for his leadership on this bipartisan bill.

Around the country, early-stage entrepreneurs are developing new technologies, products, and services not in boardrooms but in shared workspaces, university labs, and community accelerators. At this stage, the most important thing they need is capital and, often, a chance to talk with potential investors. That is what makes events like demo days so important.

These are informational forums where startups share their business ideas, not investment pitches. Under earlier SEC guidance, even partici-

pating in one of these events could be considered a “general solicitation,” which, in turn, could block the startup from using key offering exemptions.

Although the SEC has since addressed this through rule 148, H.R. 3352 codifies those protections and ensures that demo day participation does not unintentionally violate securities laws, provided certain conditions are met.

This bill strikes the right balance. It doesn’t weaken investor protections. It simply ensures our regulations don’t punish small businesses for talking about their work.

H.R. 3352 supports entrepreneurship, encourages capital formation, and reflects how innovation actually happens.

Mr. Speaker, I urge my colleagues to support it, and I reserve the balance of my time.

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

Mr. Speaker, I rise in support of H.R. 3352, the Helping Angels Lead Our Startups Act, or HALOS Act of 2025, sponsored by the gentleman from New York (Mr. LAWLER).

I want to comment on the terminology of the bill. Let’s face it, this is not an effort to help charity or, perhaps, God or angels. We have halos. We have angels. These are private investors trying to get the best deal for themselves.

That being said, and perhaps not giving them full halo status, let me say that these angel investors do play an important role in our economy, even if they have named themselves after the angels of Heaven.

Let’s break down two things with the bill. First, it allows startups to discuss their products and business plans at certain events known as demo days without such discussions counting as a general solicitation under our securities regulations and, therefore, as an investment offering necessitating SEC registration.

Second, it defines what an angel investor is for purposes of security laws. Angel investors are simply well-off individuals who invest their money into startups.

Again, I know that angels enter Heaven. Whether well-off individuals enter Heaven is a discussion for a more theological venue.

Unlike prior iterations of this bill, the current bill prohibits demo days from taking place at facilities owned by religious institutions. That is what is prohibited. It allows both Native American Tribes and startup incubators to host them.

I am aware of several instances where bad actors took advantage of the halo, if you will, of being in a church to get investments that were inappropriate. This has been an issue for Ranking Member WATERS. She has negotiated changes in this bill at the committee level.

I am pleased that Mr. LAWLER and Ranking Member WATERS collectively agreed to remove churches and other

religious institutions as sites for these demo days in the bill, which substantially eliminates the outstanding concerns of the Committee on Financial Services Democrats.

As such, I am pleased to recommend to my colleagues to vote “yes” on this bill.

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

Mrs. WAGNER. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. LAWLER).

Mr. LAWLER. Mr. Speaker, I thank Chair WAGNER for yielding me time.

Mr. Speaker, I rise in support of my bill, H.R. 3352, the HALOS Act, a bill I reintroduced this Congress with my colleague, Congressman JOSH GOTTHEIMER of New Jersey.

America’s small businesses have faced a tough road, weathering the impacts of COVID, high inflation, and burdensome regulations that have made it harder to grow and compete. Yet, they continue to serve as the backbone of our economy, driving innovation, creating jobs, and keeping the American Dream alive.

According to the Small Business Administration, firms with fewer than 500 employees account for 43.5 percent of our Nation’s GDP. Since 2019, they have been responsible for over 70 percent of net new job creation. Just last year, we saw more than 430,000 new business applications each month, a 50 percent increase compared to 2019.

That kind of momentum deserves our full support. We should be doing everything we can to encourage investment, foster innovation, and make it easier, not harder, for entrepreneurs to succeed. That is why I introduced the Helping Angels Lead Our Startups Act, otherwise known as the HALOS Act.

This bipartisan bill, which I am proud to lead alongside JOSH GOTTHEIMER, is a straightforward way to give early-stage startups more opportunities to connect with potential investors. The HALOS Act clarifies the definition of “general solicitation” and allows startups to participate in demo day events without fear of running afoul of outdated securities regulations.

It also defines what it means to be an angel investor, helping entrepreneurs know who they can engage with as they work to get their ideas off the ground.

These changes are not about deregulation for its own sake. They are about opening doors. They make it easier for new businesses to get the early capital they need to hire, grow, and contribute to a dynamic, competitive economy, and we know that this model works.

Angel investors helped launch companies like Amazon, Google, Facebook, Costco, and Starbucks, names we all recognize today that started as small ideas in need of capital and support.

By reducing legal uncertainty, especially around demo day events, we are also giving more room for underrepresented entrepreneurs and overlooked

communities to pitch their ideas and access funding. It is a chance to level the playing field and help more people take part in building America's next generation of businesses.

I am proud that during the committee process, we were able to make thoughtful revisions to address concerns raised by the ranking member.

I thank Chairman HILL for advancing this bill, as well as my colleague, the chairwoman of the Subcommittee on Capital Markets, and Congressman GOTTHEIMER for his partnership.

The HALOS Act builds on the bipartisan success of the JOBS Act and is a commonsense step forward to modernize our rules and strengthen our economy.

Mr. Speaker, I urge my colleagues to support the bill.

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

Mr. Speaker, I urge all Members to support H.R. 3352, the Helping Angels Lead Our Startups Act, or HALOS Act, sponsored by Mr. LAWLER.

This legislation will help startups have easier access to the funding they need to get off the ground while addressing the issues of certain bad actors taking advantage of susceptible investors.

This bill threads that needle and will continue to amplify our Nation's great tradition of being the best place for entrepreneurs and talented go-getters to start and grow their businesses.

Mr. Speaker, I ask my colleagues to vote "yes" on the bill, and I yield back the balance of my time.

Mrs. WAGNER. Mr. Speaker, in closing, H.R. 3352 supports entrepreneurship, encourages capital formation, and reflects how innovation actually happens. I urge my colleagues to support Mr. LAWLER's bill, H.R. 3352.

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 Missouri (Mrs. WAGNER) that the House suspend the rules and pass the bill, H.R. 3352, as amended.

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

A motion to reconsider was laid on the table.

#### ACCESS TO SMALL BUSINESS INVESTOR CAPITAL ACT

Mrs. WAGNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2225) to permit a registered investment company to omit certain fees from the calculation of Acquired Fund Fees and Expenses, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2225

*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 "Access to Small Business Investor Capital Act".*

#### SEC. 2. AMENDMENTS TO ACQUIRED FUND FEES AND EXPENSES REPORTING ON INVESTMENT COMPANY REGISTRATION STATEMENTS.

(a) DEFINITIONS.—For purposes of this section:

(1) ACQUIRED FUND.—The term "Acquired Fund" has the meaning given the term in Forms N-1A, N-2, and N-3.

(2) ACQUIRED FUND FEES AND EXPENSES.—The term "Acquired Fund Fees and Expenses" means the Acquired Fund Fees and Expenses sub-caption in the Fee Table Disclosure.

(3) BUSINESS DEVELOPMENT COMPANY.—The term "business development company" has the meaning given the term in section 2(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)).

(4) FEE TABLE DISCLOSURE.—The term "Fee Table Disclosure" means the fee table described in Item 3 of Form N-1A, Item 3 of Form N-2, or Item 4 of Form N-3 (as applicable, and with respect to each, in any successor fee table disclosure that the Securities and Exchange Commission adopts).

(5) FORM N-1A.—The term "Form N-1A" means the form described in section 274.11A of title 17, Code of Federal Regulations, or any successor regulation.

(6) FORM N-2.—The term "Form N-2" means the form described in section 274.11a-1 of title 17, Code of Federal Regulations, or any successor regulation.

(7) FORM N-3.—The term "Form N-3" means the form described in section 274.11b of title 17, Code of Federal Regulations, or any successor regulation.

(8) REGISTERED INVESTMENT COMPANY.—The term "registered investment company" means an investment company, as defined under section 3(a) of the Investment Company Act of 1940, registered with the Securities and Exchange Commission under such Act.

(b) EXCLUDING BUSINESS DEVELOPMENT COMPANIES FROM ACQUIRED FUND FEES AND EXPENSES.—A registered investment company may, on any investment company registration statement filed pursuant to section 8(b) of the Investment Company Act of 1940 (15 U.S.C. 80a-8(b)), omit from the calculation of Acquired Fund Fees and Expenses those fees and expenses that the investment company incurred indirectly as a result of investment in shares of one or more Acquired Funds that is a business development company.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Missouri (Mrs. WAGNER) and the gentleman from California (Mr. SHERMAN) each will control 20 minutes.

The Chair recognizes the gentlewoman from Missouri.

#### GENERAL LEAVE

Mrs. WAGNER. 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 the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

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

Mr. Speaker, I rise today in support of H.R. 2225, the Access to Small Business Investor Capital Act. I thank Congressman SHERMAN and the bipartisan cosponsors for their work on this bill.

This is a narrowly tailored fix to a longstanding problem that is hurting

business development companies, or BDCs, which Congress originally created to help small and mid-sized businesses access capital.

□ 1630

Mr. Speaker, unfortunately, the SEC rule called Acquired Fund Fees and Expenses, or AFFE, requires funds that invest in BDCs to count the BDC internal expenses as part of their own expense ratio. The result is a higher reported cost, even though those fees aren't actually paid by the investor.

This has led many funds to avoid BDCs altogether, and it has kept BDCs out of key investment indexes. That means fewer dollars flowing to small businesses on Main Street.

H.R. 2225 fixes this. It allows funds to exclude expenses related to BDCs from their AFFE calculation, while still disclosing their investment in BDCs. This improves both accuracy and transparency. This is a smart and bipartisan solution that removes an intended barrier to capital formation without reducing investor protections.

Mr. Speaker, I urge my colleagues to support the bill, and I reserve the balance of my time.

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

Mr. Speaker, at the outset, I thank the chair and the ranking member for getting us to this stage on this bill.

I also thank the cosponsors of this bill. Just from the committee, we have some 13 Democrats and 8 Republican members of the Financial Services Committee to cosponsor this bill. I especially thank the original cosponsors, Mr. HUIZENGA, Mr. GARBARINO, and Ms. BYNUM, for their efforts in bringing us to this point.

Mr. Speaker, this is a bipartisan bill. Like all of the most fascinating bills that come to the floor of the House, it deals with accounting. Like the most important bills that come to the floor of the House, it deals with accounting. In this case, it deals with accounting for the expense ratios of mutual funds.

This bipartisan bill, H.R. 2225, the Access to Small Business Investor Capital Act, makes a narrow technical correction of the Federal securities rules that had a major unintended consequence over the last two decades.

In 1980, Congress created Business Development Companies to facilitate capital formation and get that capital to small- and medium-sized businesses. I want to point out that, as we have had tighter and tighter bank regulations, banks have been reluctant to lend money to small businesses except where their risks are guaranteed by the Small Business Administration. SBA loans are, of course, limited.

We need BDCs to provide investment and to provide management assistance to growing businesses that are often underserved by traditional lending institutions.

By law, a BDC must invest at least 70 percent of their assets in small- and medium-sized domestic companies.