

SECTION 1. SHORT TITLE.

This Act may be cited as the “Encouraging Public Offerings Act of 2025”.

SEC. 2. EXPANDING TESTING THE WATERS.

Section 5(d) of the Securities Act of 1933 (15 U.S.C. 77e(d)) is amended—

(1) by striking “Notwithstanding” and inserting the following:

“(1) *IN GENERAL.*—Notwithstanding”;

(2) 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

(3) by adding at the end the following:

“(2) *ADDITIONAL REQUIREMENTS.*—

“(A) *IN GENERAL.*—The Commission may promulgate 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 submit to Congress a report containing a list of the findings supporting the basis of the rulemaking.”.

SEC. 3. CONFIDENTIAL REVIEW OF DRAFT REGISTRATION STATEMENTS.

Section 6(e) of the Securities Act of 1933 (15 U.S.C. 77f(e)) is amended—

(1) in the heading, by striking “EMERGING GROWTH COMPANIES” and inserting “CONFIDENTIAL REVIEW OF DRAFT REGISTRATION STATEMENTS”;

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

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

“(1) *IN GENERAL.*—Any issuer may, with respect to an initial public offering, initial registration of a security of the issuer under section 12(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78l(b)), or follow-on offering, 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—

“(A) in the case of an initial public offering, 10 days before the effective date of such registration statement;

“(B) in the case of an initial registration of a security of the issuer under such section 12(b), 10 days before listing on an exchange; or

“(C) in the case of any offering after an initial public offering or an initial registration under such section 12(b), 48 hours before the effective date of such registration statement.

“(2) *ADDITIONAL REQUIREMENTS.*—

“(A) *IN GENERAL.*—The Commission may promulgate 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 submit to Congress a report containing a list of the findings supporting the basis of the rulemaking.”.

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 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 today in support of my bill, H.R. 3381, the Encouraging Public Offerings Act.

This legislation builds on the success of the JOBS Act by making it easier for companies of all sizes to go public while maintaining the transparency and investor protections our markets depend on.

H.R. 3381 allows any company, not just emerging growth companies, to test the waters by gauging investor interest before or after filing with the SEC. It also ensures that an issuer can submit a confidential draft registration statement before making it public, giving companies more flexibility and clarity as they prepare to go public.

These tools, Mr. Speaker, testing the waters and confidential filings, have proven valuable since the JOBS Act, especially for smaller companies navigating the complexities of going public. My bill makes them available to all issuers with consistent timelines tied to when a registration statement becomes effective, not when a road show begins.

This bill is about giving growing businesses the confidence to enter the public markets and helping them reach new investors, expand operations, and create jobs across our country.

I thank my colleagues on both sides of the aisle and my Democratic cosponsor, Mr. MEEKS, for supporting these efforts to modernize our capital markets.

Mr. Speaker, I urge all Members to support this bipartisan bill, 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 today in support of H.R. 3381, the Encouraging Public Offerings Act of 2025, sponsored by the chair of the relevant subcommittee, the Capital Markets Subcommittee, that being the gentlewoman from Missouri (Mrs. WAGNER). I commend her for her bill and her work in general on these issues.

This bill codifies an SEC rule that allows any issuer to submit a confidential draft of the registration statement for review by the SEC staff. In doing so, it allows companies seeking to access public markets more time to carefully draft their registration statements under SEC's guidance without needing to worry about the contents of their registration statement being made public before they have had a chance to cross all their t's and dot all their i's.

Mrs. WAGNER's bill also codifies a 2019 SEC rulemaking that allows any issuer to test the waters before going public, which would allow any issuer to gauge institutional investor interest in

their offering without first needing to file a registration statement with the SEC.

Overall, this makes it easier for companies to access our capital markets and to go public.

I urge my colleagues to support this bill. I think it is important that we encourage companies to go public both so that they can get the capital they need to expand their business and so that any person has a chance to invest in these businesses and diversify their own portfolio.

Mr. Speaker, I urge my colleagues to vote “yes” on this bill, and I reserve the balance of my time.

Mrs. WAGNER. Mr. Speaker, I am prepared to close, and I reserve the balance of my time.

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

I urge my colleagues to vote “yes” on H.R. 3381, the Encouraging Public Offerings Act of 2025 sponsored by the chair of our subcommittee, the gentlewoman from Missouri (Mrs. WAGNER), which would allow issuers to take advantage of confidential draft registration statements that are currently available only to EGCs. It also makes it easier for companies to have access to capital by giving them the ability to gauge interest from institutional investors without added regulatory requirements of registration.

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

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

In closing, the Encouraging Public Offerings Act is about giving growing businesses the confidence to enter the public markets and helping them reach new investors, expand operations, and create jobs across the country.

I ask my colleagues to support my bill, H.R. 3381, and 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. 3381, 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.

EXPANDING ACCESS TO CAPITAL FOR RURAL JOB CREATORS ACT

Mrs. WAGNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1190) to amend the Securities Exchange Act of 1934 to expand access to capital for rural-area small businesses, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1190

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 "Expanding Access to Capital for Rural Job Creators Act".

SEC. 2. 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".

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. 1190, the Expanding Access to Capital for Rural Job Creators Act. I commend Congressman DOWNING for leading this commonsense bipartisan bill.

Too often, the conversation around capital formation is centered on financial hubs like New York and San Francisco, but the backbone of America's economy is the local business communities in cities and towns and rural areas across all 50 States: the family-run manufacturers, agricultural innovators, entrepreneurs, and small-town tech startups. These businesses face unique but very real obstacles when trying to raise capital.

H.R. 1190 ensures that those voices aren't left out. The bill directs the SEC's Office of the Advocate for Small Business Capital Formation to proactively engage with rural communities, study the structural funding gaps that they face, and tackle their challenges when crafting policies.

□ 1715

This is not about expanding bureaucracy. It is about sharpening the focus of an office that already exists to ensure that its mission reflects the incredible variety of businesses that are the engine of the U.S. economy.

We all have rural counties in our districts where hardworking small business owners are ready to grow if only they can access the capital that they need. This bill gives them a seat at the table and a voice in sharpening the policies that affect their future.

Mr. Speaker, I urge my colleagues to support H.R. 1190, and I reserve the balance of my time.

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

Mr. Speaker, up until now, on each of these bills, I have been speaking fast,

but I know that Mr. ROSE and Ms. WATERS are planning to get here in just the next few minutes to speak on the next two bills. Since they are not here yet, it does the House no harm for me to speak more slowly and perhaps at greater length.

Mr. Speaker, I rise in support of H.R. 1190, the Expanding Access to Capital for Rural Job Creators Act, sponsored by my colleague, the gentleman from Montana (Mr. DOWNING).

I will point out that I am uniquely unqualified to address this bill since my entire district is in an urban area, that of the great city of Los Angeles. Yet, even I recognize the importance of getting capital to our small businesses in rural areas.

I strongly support this legislation, which would require the SEC's Office of the Advocate for Small Business Capital Formation to report on capital access issues faced by small, rural businesses.

Currently, the SEC small business advocate reports on small businesses that are minority owned or women owned or in disaster-stricken areas. Yet, at present, the law does not report on businesses in rural areas. The bill simply adds rural businesses to the list covered by the entities of the small business advocate and the entities that the small business advocate will report on.

Small businesses, no matter where they are located or who they are owned by, are the backbone of the American economy. Helping small businesses should be about as nonpartisan as we can get here in Congress. Lawmakers and regulators should be doing everything they can to support them.

Those businesses located in rural areas face unique challenges. We have had other speakers on other bills talk about how so many of our financial institutions and business investors are focused on the East Coast or the West Coast or in New York, Silicon Valley, or some of the other large cities in our country.

It is important, therefore, that the small business advocate also reports on the needs of rural small businesses that are seeking to raise capital. Lawmakers and regulators should be focused on those businesses.

This is common sense, and I hope my colleagues will support it.

I commend the gentleman from Montana for bringing this bill to the floor, and I look forward to continuing to discuss 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 Montana (Mr. DOWNING), my friend.

Mr. DOWNING. Mr. Speaker, I thank the chair for yielding me time.

Mr. Speaker, small businesses are the backbone of Montana's Second District. According to the Small Business Administration, small businesses employ roughly 67 percent of all Mon-

tanans. That is well above the national average.

These businesses historically have difficulty accessing the funding they need to grow and create jobs. Their location presents an added challenge.

According to the Center on Rural Innovation, 12 percent of U.S. businesses are located within rural areas, yet they receive less than 1 percent of venture capital funding.

Many of the communities that I represent have populations of under 500 people. It places them among this underserved group. These overlooked people and places have inspired my legislation, H.R. 1190, the Expanding Access to Capital for Rural Job Creators Act.

As any small business owner can attest, the number one barrier to growth is access to capital. Through my own experiences, I know how difficult it can be for businesses to secure the funding that they need to grow. I have built businesses in technology, manufacturing, distilling, and real estate, and a primary driver in the success of all of these businesses was access to capital.

The SEC's Office of the Advocate for Small Business Capital Formation was created for just this reason: to identify capital access problems that small businesses face. However, rural small businesses are currently excluded from the required categories of businesses that the office monitors for these problems.

My legislation simply requires this office to identify and report to Congress the challenges faced by rural small businesses when trying to access our capital markets. H.R. 1190 will make it easier for Members of Congress to do our jobs to make sure rural businesses, like in Montana, are not left behind.

Mr. Speaker, I thank Representative BYNUM for partnering with me on this legislation. I was happy to see it pass out of the Committee on Financial Services with unanimous support. I urge my colleagues to support this commonsense legislation.

Mr. SHERMAN. Mr. Speaker, may I inquire as to how much time is remaining.

The SPEAKER pro tempore. The gentleman from California has 17 minutes remaining. The gentlewoman from Missouri has 16 minutes remaining.

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

Mr. Speaker, it is my understanding that the House has no further legislative business after we consider the bills that are before us today. The authors of the last two bills up for consideration are on their way, so should I speak slowly, or should we go into recess? Either way, we are not delaying the House.

Mr. Speaker, I urge Members to support H.R. 1190, the Expanding Access to Capital for Rural Job Creators Act. It is a simple but important step to directing the SEC's small business advocate to include small, rural businesses in their reporting.

As I have noted before, the small business advocate currently reports on the challenges faced by minority-owned, women-owned, and disaster-affected small businesses. This would add rural small businesses to the list.

This is a gap we need to fix. Small businesses in rural communities face unique hurdles in accessing capital, and they deserve the same attention as the other types of businesses that the advocate focuses on.

No matter where they are located and no matter who owns them, small businesses are the backbone of our economy. They should be and are a bipartisan priority, and this bill is a step in the right direction.

With the understanding that we will be able to deal with the other bills that are scheduled to come before us even after a short recess, I urge a "yes" vote on H.R. 1190, and I yield back the balance of my time.

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

Mr. Speaker, in closing, the Expanding Access to Capital for Rural Job Creators Act takes care of our hard-working small business owners who are ready to grow. They deserve a seat at the table, Mr. Speaker.

I urge all of my colleagues to support H.R. 1190. I commend the Representative from Montana (Mr. DOWNING) for introducing this legislation, and 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. 1190, 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.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess for a period of less than 15 minutes.

Accordingly (at 5 o'clock and 24 minutes p.m.), the House stood in recess.

□ 1734

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. WILLIAMS of Texas) at 5 o'clock and 34 minutes p.m.

PROMOTING OPPORTUNITIES FOR NON-TRADITIONAL CAPITAL FORMATION ACT

Mr. DOWNING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3422) to amend the Securities Exchange Act of 1934 to require the Advocate for Small Business Capital Formation to provide educational resources

and host events to promote capital raising options for traditionally underrepresented small businesses, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3422

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Promoting Opportunities for Non-Traditional Capital Formation Act".

SEC. 2. PROMOTING CAPITAL RAISING OPTIONS FOR TRADITIONALLY UNDERREPRESENTED SMALL BUSINESSES.

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

(1) in subparagraph (G), by striking "and" at the end;

(2) in subparagraph (H), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(I) provide educational resources and host or participate in events for small businesses and small business investors, including to raise awareness of capital raising options for—

"(i) underrepresented small businesses, including women-owned small businesses and minority-owned small businesses;

"(ii) businesses located in rural areas; and

"(iii) small businesses affected by hurricanes or other natural disasters; and

"(J) at least annually, meet with representatives of State securities commissions to discuss opportunities for collaboration and coordination with respect to efforts to assist small businesses and small business investors.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Montana (Mr. DOWNING) and the gentleman from California (Mr. SHERMAN) each will control 20 minutes.

The Chair recognizes the gentleman from Montana.

GENERAL LEAVE

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

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

There was no objection.

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

Mr. Speaker, I rise in support of H.R. 3422, the Promoting Opportunities for Non-Traditional Capital Formation Act, and I thank Representative WATERS for her leadership on this bipartisan legislation.

Far too often, access to capital depends not on the quality of a business idea but on where that business is located. Data shows that the vast majority of venture capital investment flows to companies in just three States: California, Massachusetts, and New York, leaving entrepreneurs in other regions at a disadvantage.

This bill takes a targeted step to help address that imbalance. It directs the SEC's Office of the Advocate for Small Business Capital Formation to do more to support underserved entrepreneurs, particularly those in rural communities or outside of traditional investment hubs.

Specifically, the bill requires the advocate to provide educational resources and host public events that highlight the capital raising tools available under Federal securities laws. These tools exist, but many founders simply don't know how to use them or that they are even an option.

H.R. 3422 ensures that founders from all backgrounds and regions have the information they need to pursue the capital formation strategy that works best for their businesses.

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

Mr. SHERMAN. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California (Ms. WATERS), the ranking member of our full committee.

Ms. WATERS. Mr. Speaker, I rise today in support of my bill, H.R. 3422, the Promoting Opportunities for Non-Traditional Capital Formation Act. This bill deals with the Office of the Advocate for Small Business Capital Formation, which is an independent SEC office that was established to advance the interests of small businesses.

The office proactively works to identify and address unique challenges faced by minority-owned, women-owned, and rural small businesses as well as businesses located in natural disaster areas.

My bill requires the SEC small business advocate to provide educational resources and host events to promote capital-raising options for these underrepresented small businesses. My bill would also require the Office to meet annually with representatives of State securities commissions to ensure that there is a whole-of-government approach to addressing the unique needs of underrepresented businesses.

The North American Securities Administrators Association, or NASAA, strongly supports this legislation, particularly as it would strengthen collaboration and coordination between regulators.

In a letter to my office, written in support of this bill when it was previously introduced, NASAA emphasized former Republican SEC Commissioner Michael Piwowar's comments that "for a capital formation agenda to succeed, it is essential that State and Federal regulators work together to support the businesses that seek to engage in these offerings while also protecting investors."

Indeed, my bill makes sure that Federal regulators and State regulators do just that, while at the same time advancing the cause of small business capital formation across the spectrum.

Mr. Speaker, I thank my colleague (Mrs. WAGNER) for cosponsoring my bill, and I urge my colleagues to join us in passing this bill into law.

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

Mr. Speaker, I rise in strong support of the bill of my good friend and ranking member of the Financial Services