

Increases *net direct spending* in any of the four consecutive 10-year periods beginning in 2036? No.

Increases *on-budget deficits* in any of the four consecutive 10-year periods beginning in 2036? No.

Statutory pay-as-you-go procedures apply? No.

Mandate Effects:

Contains intergovernmental mandate? No.

Contains private-sector mandate? Yes, Under Threshold.

H.R. 3382 would require the Securities and Exchange Commission (SEC) to study its current definition of “small entity” under the Regulatory Flexibility Act (RFA) and revise its rules based on the results of the study. Under current law, agencies subject to the RFA need to determine if their rules have a significant economic effect on small entities, including businesses, nonprofit organizations, and governmental jurisdictions. If so, agencies must consider alternatives that minimize that effect.

Using information about the cost of similar provisions, CBO estimates that implementing the bill would cost \$2 million over the 2025–2030 period. CBO expects that the SEC would need about five employees, at an average annual cost of \$330,000 for each employee, to carry out the study and amend the rules. Because the SEC is authorized to collect fees each year to offset its annual appropriation, CBO expects that the net effect on discretionary spending over the 2025–2030 period would be negligible, assuming appropriation actions consistent with that authority.

If the SEC increases fees to offset the costs associated with implementing the bill, H.R. 3382 would increase the cost of an existing mandate on private entities required to pay those assessments. CBO estimates that the incremental cost of the mandate would be small and would fall well below the threshold established in the Unfunded Mandates Reform Act (UMRA) for private-sector mandates (\$206 million in 2025, adjusted annually for inflation).

H.R. 3382 contains no intergovernmental mandates as defined in UMRA.

The CBO staff contacts for this estimate are Aurora Swanson (for federal costs) and Rachel Austin (for mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

PHILLIP L. SWAGEL,
Director, Congressional Budget Office.

Mr. HILL of Arkansas. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Missouri (Mrs. WAGNER), the chairwoman of our Subcommittee on Capital Markets and the author of this bill.

Mrs. WAGNER. Mr. Speaker, I rise in support of H.R. 3351, the Improving Access to Small Business Information Act.

Mr. Speaker, I thank my colleagues on both sides of the aisle, Representatives KIM and GOTTHEIMER, for their work on this commonsense, bipartisan piece of legislation that will give Americans, small businesses, and entrepreneurs a stronger voice at the SEC.

H.R. 3351 offers a straightforward solution to empower the SEC’s Office of the Advocate for Small Business Capital Formation, the advocate, making

it a more effective champion for American entrepreneurs.

Mr. Speaker, I also rise today in support of my bill, H.R. 3382, the Small Entity Update Act. I thank my colleagues across the aisle, Congressmen CASTEN, HIMES, SCOTT, and TORRES, for their support of this impactful bipartisan legislation. It ensures that the SEC fairly weighs in its rulemaking the regulatory burdens faced by small businesses.

This bipartisan bill would direct the SEC to assess the costs of compliance for small and growing businesses, ensuring that regulations placed on these businesses are not overly burdensome.

Specifically, the bill would direct the Commission to conduct a study, followed by a rulemaking consistent with the results of such study every 5 years, including defining the term “small entity” under the Regulatory Flexibility Act.

Simply put, small businesses can’t afford the extensive legal and regulatory expertise that large, multinational firms employ to comply with every regulation while still managing their operating costs.

Recognizing that company sizes and market dynamics constantly evolve, my bill requires the SEC to update its definition of “small entity” every 5 years.

For our economy to flourish, Congress and regulators must ensure that all policies consider their impact on America’s millions of small businesses.

Mr. Speaker, by creating a more focused regulatory approach for small entities, the Small Entity Update Act will make it easier for entrepreneurs across the country to achieve the American Dream.

Mr. Speaker, I urge all of my colleagues to vote for this bill, H.R. 3382.

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

Again, I thank the gentlewoman from Missouri (Mrs. WAGNER) for her leadership. I also thank the gentleman from Arkansas (Mr. HILL), the chairman, for his leadership and friendship. I am very grateful.

Small businesses make up the backbone of our Nation’s economy. Congress and the SEC should do everything within their power to support small businesses and to ensure that the laws and rules they draft adequately take their capital needs into consideration.

This bill gives small businesses a bigger say in how SEC rules and regulations impact them and will allow them to continue to thrive.

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

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

Mr. Speaker, I rise in full support of Mrs. WAGNER’s work. This is exactly the kind of commonsense, bipartisan

legislation that our constituents expect us to pass. To lower costs and encourage companies to be public is a good thing for our Nation. It will grow the economy faster. Companies can go public sooner in their growth period.

Mr. Speaker, for all the reasons I have explained, I urge my colleagues to support this bill, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arkansas (Mr. HILL) that the House suspend the rules and pass the bill, H.R. 3382, 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.

IMPROVING ACCESS TO SMALL BUSINESS INFORMATION ACT

Mr. HILL of Arkansas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3351) to amend the Securities Exchange Act of 1934 to specify that actions of the Advocate for Small Business Capital Formation are not a collection of information under the Paperwork Reduction Act, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3351

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 “Improving Access to Small Business Information Act”.

SEC. 2. PAPERWORK REDUCTION ACT REQUIREMENTS EXEMPTIONS.

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

“(10) PRESERVATION OF INFORMATION COLLECTION BURDEN REVIEW.—

“(A) IN GENERAL.—Actions taken by the Advocate for Small Business Capital Formation under this subsection shall not be a ‘collection of information’ for purposes of subchapter I of chapter 35 of title 44, United States Code (commonly known as the ‘Paperwork Reduction Act’).

“(B) EXCEPTIONS.—Notwithstanding subparagraph (A), the requirements under subsections (c)(1), (c)(4), and (i) of section 3506 of title 44, United States Code, and section 3507(a)(1)(A) of such title shall apply to actions taken by the Advocate for Small Business Capital Formation under this subsection, except that the Commission shall not be required—

“(i) to submit a collection of information by the Advocate to the Director of the Office of Management and Budget, as referenced under section 3506(c)(1)(A) of such title;

“(ii) to display a control number on a collection of information by the Advocate, as

described under section 3506(c)(1)(B)(i) of such title (or to inform a person receiving a collection of information from the Advocate that the collection of information needs to display a control number, as described under section 3506(c)(1)(B)(iii)(V) of such title); or

“(iii) to indicate a collection of information by the Advocate is in accordance with the clearance requirements of section 3507 of such title, as described under section 3506(c)(1)(B)(ii) of such title.”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arkansas (Mr. HILL) and the gentleman from New Jersey (Mr. GOTTHEIMER) each will control 20 minutes.

The Chair recognizes the gentleman from Arkansas.

GENERAL LEAVE

Mr. HILL of Arkansas. 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 Arkansas?

There was no objection.

Mr. HILL of Arkansas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 3351, the Improving Access to Small Business Information Act.

The SEC’s Office of the Advocate for Small Business Capital Formation is a vital tool for small businesses and entrepreneurs. The advocate hears firsthand from businessowners about the real-world issues that they are facing when raising capital.

Outdated regulations make it more difficult than it needs to be. Our current laws can trigger the full weight of the Paperwork Reduction Act when the advocate’s intention is to simply collect feedback from these small businesses. That is simply bureaucratic overreach run amok.

Mrs. KIM’s bill provides a simple and practical fix. It clarifies that the advocate’s outreach activities are not subject to the Paperwork Reduction Act’s requirements. Removing these unnecessary burdens will strengthen the advocate’s ability to shape policy based on real-world business experience.

Mr. Speaker, I urge all of my colleagues to join me in supporting this bill, and I reserve the balance of my time.

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

Mr. Speaker, the Paperwork Reduction Act mandates all Federal agencies receive approval before putting forth a paper form or survey that will impose an information collection burden on the general public.

Although well-intentioned, the Paperwork Reduction Act often prevents

Federal agencies like the SEC from obtaining data from the public. This is the very data that assists the agencies in carrying out their missions.

This bill streamlines the ability of the SEC’s Office of the Advocate for Small Business Capital Formation to carry out its mission by exempting it from the requirements of the act in the same way the SEC’s Office of the Investor Advocate is exempted. In effect, it enables the small business advocate to properly do its job by providing it with the information and data it needs to draft regulations that actually help small businesses raise capital without imposing costly demands.

Mr. Speaker, I thank the gentlewoman from California (Mrs. KIM) for her bipartisan leadership, her friendship, and all she does. I urge my colleagues to vote “yes” on this important bill.

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

Mr. HILL of Arkansas. Mr. Speaker, I include in the RECORD the CBO estimate for this bill.

H.R. 3351, IMPROVING ACCESS TO SMALL BUSINESS INFORMATION ACT, AS REPORTED BY THE HOUSE COMMITTEE ON FINANCIAL SERVICES ON JUNE 3, 2025

	By fiscal year, millions of dollars—		
	2025	2025–2030	2025–2035
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (–) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays) ..	*	*	**

* = between –\$500,000 and \$500,000.
** = not estimated.

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Increases *on-budget deficits* in any of the four consecutive 10-year periods beginning in 2036? No.

Statutory pay-as-you-go procedures apply? No.

Mandate Effects:
Contains intergovernmental mandate? No.
Contains private-sector mandate? No.

H.R. 3351 would exempt the Office of the Advocate for Small Business Capital Formation within the Securities and Exchange Commission (SEC) from most provisions of the Paperwork Reduction Act. The bill would not affect requirements to estimate the burden of collecting information, verify that its collection is necessary, and ensure that people providing information are informed about how it will be used. Under the bill, the office would no longer be required to seek or obtain approval from the Office of Management and Budget to collect information or announce such collections in the Federal Register.

The exemption under the bill could reduce the SEC’s costs by an insignificant amount each year. Because the SEC is authorized to collect fees each year to offset its annual appropriation, CBO expects that the agency would adjust fees to match lower operating costs. On that basis, CBO estimates that the

net effect on discretionary spending over the 2025–2030 period would be negligible, assuming appropriation actions consistent with that authority.

The CBO staff contact for this estimate is Aurora Swanson. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.2

PHILLIP L. SWAGEL,
Director, Congressional Budget Office.

Mr. HILL of Arkansas. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California (Mrs. KIM), a distinguished Member from California and the author of this important legislation.

Mrs. KIM. Mr. Speaker, I thank the chairman for yielding time.

Mr. Speaker, I rise in support of my bill, H.R. 3351, the Improving Access to Small Business Information Act.

Orange County, which I am proud to represent, is home to over 100,000 small businesses. It takes grit, perseverance, and commitment for entrepreneurs to make an idea into a reality.

To help with some of those challenges facing small businesses, the Securities and Exchange Commission created an Office of the Advocate for Small Business Capital Formation.

Each year, the Office of the Advocate for Small Business Capital Formation hosts events across the country, including California.

□ 1700

These events aim to support small businesses and better understand the issues that they face in raising funds. Unfortunately, burdensome regulations often prevent the advocate from asking the right type of questions.

The former director of the Office of the Advocate for Small Business Capital Formation, Ms. Martha Miller, said that: The office went through a yearlong process just to collect registration information for our annual forum and ask a few basic questions to understand the audience attending.

The unfortunate truth is that regulations handicap us from understanding the needs of small businesses.

My bill is very simple. The legislation would specify that activities like conducting field surveys carried out by the Office of the Advocate for Small Business Capital Formation are not a collection of information under the Paperwork Reduction Act.

Currently, OMB’s approval process is prolonged and bureaucratic, which delays feedback collection from small businesses and their investors. Preventing these delays will enable the advocate to gather more effective and timely data.

The better information that the advocate can gather, the better the SEC

can respond, and the better off our small businesses will be.

Mr. Speaker, I thank Representative GOTTHEIMER for working with me on this commonsense legislation, and I urge my colleagues from both sides of the aisle to support H.R. 3351.

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

Mr. Speaker, I again urge my colleagues to support this bipartisan legislation, which will reduce the paperwork burden on SEC staff and, therefore, their ability to advocate for the needs of small businesses within the agency's rulemaking and regulatory process.

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

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

Mr. Speaker, for the reasons I have explained, I support Mrs. KIM's commonsense bill. I think it makes it better for everyone involved if we have easier access to the information we need to streamline policy and make it easier for our small businesses to raise the capital that they need to be successful.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arkansas (Mr. HILL) that the House suspend the rules and pass the bill, H.R. 3351, 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. HILL of Arkansas. 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.

GREENLIGHTING GROWTH ACT

Mr. HILL of Arkansas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3343) to amend the Federal securities laws to specify the periods for which financial statements are required to be provided by an emerging growth company, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3343

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 "Greenlighting Growth Act".

SEC. 2. FINANCIAL STATEMENT REPORTING REQUIREMENTS FOR EMERGING GROWTH COMPANIES.

(a) SECURITIES ACT OF 1933.—Section 7(a)(2) of the Securities Act of 1933 (15 U.S.C. 77g(a)(2)) is amended—

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

(2) by redesignating subparagraph (B) as subparagraph (C); and

(3) by inserting after subparagraph (A) the following:

"(B) need not present acquired company financial statements or information otherwise required under section 210.3-05 or section 210.8-04 of title 17, Code of Federal Regulations, or any successor thereto, for any period prior to the earliest audited period of the emerging growth company presented in connection with its initial public offering and, thereafter, in no event shall an issuer that was an emerging growth company but is no longer an emerging growth company be required to present financial statements of the issuer (or acquired company financial statements or information otherwise required under section 210.3-05 or section 210.8-04 of title 17, Code of Federal Regulations, or any successor thereto) for any period prior to the earliest audited period of the emerging growth company presented in connection with its initial public offering; and".

(b) SECURITIES EXCHANGE ACT OF 1934.—Section 12(b)(1)(K) of the Securities Exchange Act of 1934 (15 U.S.C. 78l(b)(1)(K)) is amended by striking "firm" and inserting "firm, provided that the application of an emerging growth company need not present acquired company financial statements or information otherwise required under section 210.3-05 or section 210.8-04 of title 17, Code of Federal Regulations, or any successor thereto, for any period prior to the earliest audited period of the emerging growth company presented in connection with its application and, thereafter, in no event shall an issuer that was an emerging growth company but is no longer an emerging growth company be required to present financial statements of the issuer (or acquired company financial statements or information otherwise required under section 210.3-05 or section 210.8-04 of title 17, Code of Federal Regulations, or any successor thereto) for any period prior to the earliest audited period of the emerging growth company presented in connection with any application under this subsection".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arkansas (Mr. HILL) and the gentleman from New Jersey (Mr. GOTTHEIMER) each will control 20 minutes.

The Chair recognizes the gentleman from Arkansas.

GENERAL LEAVE

Mr. HILL of Arkansas. 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 Arkansas?

There was no objection.

Mr. HILL of Arkansas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 3343, the Greenlighting Growth Act.

Currently, title 1 of the JOBS Act allows emerging growth companies, EGCs, to provide 2 years of audited financial statements rather than 3 years in an initial public offering registration statement. However, there are exceptions that cause confusion.

Mr. HARIDOPOLOS' bill provides clarity to title 1 by directing that current and former EGCs do not need to provide financial statements for a period earlier than the 2 years of audited financial statements required during the EGC's initial public offering.

This will increase efficiency and eliminate situations where emerging growth companies were unexpectedly required to provide more extensive disclosures than necessary.

Mr. Speaker, I urge all of my colleagues to join me in supporting this bill, and I reserve the balance of my time.

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

Mr. Speaker, as a special accommodation for their smaller size and to reduce their regulatory burden, emerging growth companies, known as EGCs, are typically only required to provide 2 years of audited financials when they first go public. Other public companies, on the other hand, are required to provide 3 years of audited financials when they go public. In some situations, an EGC must provide 3 years of financials, such as an EGC acquiring another company or conducting a follow-on offering after its IPO.

This bill will eliminate this regulatory hurdle by ensuring EGCs only need to provide 2 years, not 3, of audited financials across the board, whether for an IPO, an acquisition, or a follow-on offering.

This bipartisan legislation will further reduce the burden on EGCs trying to raise capital, cutting red tape and burdensome regulations to help unleash economic growth.

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

Mr. HILL of Arkansas. Mr. Speaker, I yield to the gentleman from Florida (Mr. HARIDOPOLOS), the author of this important bill and our committee majority whip.

Mr. HARIDOPOLOS. Mr. Speaker, I thank the chairman for his leadership on this and for the opportunity to present today.

Mr. Speaker, I rise in strong support to ask my colleagues to support H.R. 3343, the Greenlighting Growth Act, a bill which I introduced with the subcommittee chair, Ms. WAGNER.

This bill will make business easier for small companies right here in America. That is something we all agree on. Too often, regulations make it harder than it should be, especially for entrepreneurs and emerging businesses trying to make the next step.

In 2012, Congress worked to fix that problem, passing the JOBS Act to create a more affordable path for smaller companies to go public, raise capital, and fuel the next wave of American innovation, but there is a problem. After going public, these same companies can get hit with extra paperwork if they try to grow through acquisitions.

The current law undermines the incentives that the JOBS Act set up, so we look to change it with H.R. 3343. The bill fixes the problem and keeps the rule simple and consistent so that small companies can focus on growing, not growing government paperwork. That means more companies will go