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(Original Signature of Member)

114TH CONGRESS
1ST SESSION

H. R.

To make technical corrections to the Dodd-Frank Wall Street Reform and Consumer Protection Act, to enhance the ability of small and emerging growth companies to access capital through public and private markets, to reduce regulatory burdens, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. FITZPATRICK introduced the following bill; which was referred to the Committee on _____

A BILL

To make technical corrections to the Dodd-Frank Wall Street Reform and Consumer Protection Act, to enhance the ability of small and emerging growth companies to access capital through public and private markets, to reduce regulatory burdens, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Promoting Job Cre-
5 ation and Reducing Small Business Burdens Act”.

1 SEC. 2. TABLE OF CONTENTS.

2 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.

TITLE I—BUSINESS RISK MITIGATION AND PRICE STABILIZATION ACT

- Sec. 101. Margin requirements.
- Sec. 102. Implementation.

TITLE II—TREATMENT OF AFFILIATE TRANSACTIONS

- Sec. 201. Treatment of affiliate transactions.

TITLE III—HOLDING COMPANY REGISTRATION THRESHOLD EQUALIZATION ACT

- Sec. 301. Registration threshold for savings and loan holding companies.

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

- Sec. 401. Registration exemption for merger and acquisition brokers.
- Sec. 402. Effective date.

TITLE V—SWAP DATA REPOSITORY AND CLEARINGHOUSE INDEMNIFICATION CORRECTIONS

- Sec. 501. Repeal of indemnification requirements.

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

- Sec. 601. Filing requirement for public filing prior to public offering.
- Sec. 602. Grace period for change of status of emerging growth companies.
- Sec. 603. Simplified disclosure requirements for emerging growth companies.

TITLE VII—SMALL COMPANY DISCLOSURE SIMPLIFICATION ACT

- Sec. 701. Exemption from XBRL requirements for emerging growth companies and other smaller companies.
- Sec. 702. Analysis by the SEC.
- Sec. 703. Report to Congress.
- Sec. 704. Definitions.

TITLE VIII—RESTORING PROVEN FINANCING FOR AMERICAN EMPLOYERS ACT

- Sec. 801. Rules of construction relating to collateralized loan obligations.

TITLE IX—SBIC ADVISERS RELIEF ACT

- Sec. 901. Advisers of SBICs and venture capital funds.
- Sec. 902. Advisers of SBICs and private funds.
- Sec. 903. Relationship to State law.

TITLE X—DISCLOSURE MODERNIZATION AND SIMPLIFICATION
ACT

Sec. 1001. Summary page for form 10-K.

Sec. 1002. Improvement of regulation S-K.

Sec. 1003. Study on modernization and simplification of regulation S-K.

TITLE XI—ENCOURAGING EMPLOYEE OWNERSHIP ACT

Sec. 1101. Increased threshold for disclosures relating to compensatory benefit plans.

1 **TITLE I—BUSINESS RISK MITI-**
2 **GATION AND PRICE STA-**
3 **BILIZATION ACT**

4 **SEC. 101. MARGIN REQUIREMENTS.**

5 (a) COMMODITY EXCHANGE ACT AMENDMENT.—

6 Section 4s(e) of the Commodity Exchange Act (7 U.S.C.

7 6s(e)), as added by section 731 of the Dodd-Frank Wall

8 Street Reform and Consumer Protection Act, is amended

9 by adding at the end the following new paragraph:

10 “(4) APPLICABILITY WITH RESPECT TO

11 COUNTERPARTIES.—The requirements of paragraphs

12 (2)(A)(ii) and (2)(B)(ii), including the initial and

13 variation margin requirements imposed by rules

14 adopted pursuant to paragraphs (2)(A)(ii) and

15 (2)(B)(ii), shall not apply to a swap in which a

16 counterparty qualifies for an exception under section

17 2(h)(7)(A), or an exemption issued under section

18 4(c)(1) from the requirements of section 2(h)(1)(A)

19 for cooperative entities as defined in such exemption,

20 or satisfies the criteria in section 2(h)(7)(D).”.

1 (b) SECURITIES EXCHANGE ACT AMENDMENT.—
2 Section 15F(e) of the Securities Exchange Act of 1934
3 (15 U.S.C. 78o–10(e)), as added by section 764(a) of the
4 Dodd-Frank Wall Street Reform and Consumer Protec-
5 tion Act, is amended by adding at the end the following
6 new paragraph:

7 “(4) APPLICABILITY WITH RESPECT TO
8 COUNTERPARTIES.—The requirements of paragraphs
9 (2)(A)(ii) and (2)(B)(ii) shall not apply to a secu-
10 rity-based swap in which a counterparty qualifies for
11 an exception under section 3C(g)(1) or satisfies the
12 criteria in section 3C(g)(4).”.

13 **SEC. 102. IMPLEMENTATION.**

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

16 (1) without regard to—

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

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

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

24 (3) such that paragraph (1) shall apply solely
25 to changes to rules and regulations, or proposed

1 rules and regulations, that are limited to and di-
2 rectly a consequence of such amendments.

3 **TITLE II—TREATMENT OF**
4 **AFFILIATE TRANSACTIONS**

5 **SEC. 201. TREATMENT OF AFFILIATE TRANSACTIONS.**

6 (a) IN GENERAL.—

7 (1) COMMODITY EXCHANGE ACT AMEND-
8 MENT.—Section 2(h)(7)(D)(i) of the Commodity Ex-
9 change Act (7 U.S.C. 2(h)(7)(D)(i)) is amended to
10 read as follows:

11 “(i) IN GENERAL.—An affiliate of a
12 person that qualifies for an exception
13 under subparagraph (A) (including affiliate
14 entities predominantly engaged in pro-
15 viding financing for the purchase of the
16 merchandise or manufactured goods of the
17 person) may qualify for the exception only
18 if the affiliate enters into the swap to
19 hedge or mitigate the commercial risk of
20 the person or other affiliate of the person
21 that is not a financial entity, provided that
22 if the hedge or mitigation of such commer-
23 cial risk is addressed by entering into a
24 swap with a swap dealer or major swap
25 participant, an appropriate credit support

1 measure or other mechanism must be uti-
2 lized.”.

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

7 “(A) IN GENERAL.—An affiliate of a per-
8 son that qualifies for an exception under para-
9 graph (1) (including affiliate entities predomi-
10 nantly engaged in providing financing for the
11 purchase of the merchandise or manufactured
12 goods of the person) may qualify for the excep-
13 tion only if the affiliate enters into the security-
14 based swap to hedge or mitigate the commercial
15 risk of the person or other affiliate of the per-
16 son that is not a financial entity, provided that
17 if the hedge or mitigation such commercial risk
18 is addressed by entering into a security-based
19 swap with a security-based swap dealer or
20 major security-based swap participant, an ap-
21 propriate credit support measure or other
22 mechanism must be utilized.”.

23 (b) APPLICABILITY OF CREDIT SUPPORT MEASURE
24 REQUIREMENT.—The requirements in section
25 2(h)(7)(D)(i) of the Commodity Exchange Act and section

1 3C(g)(4)(A) of the Securities Exchange Act of 1934, as
2 amended by subsection (a), requiring that a credit support
3 measure or other mechanism be utilized if the transfer of
4 commercial risk referred to in such sections is addressed
5 by entering into a swap with a swap dealer or major swap
6 participant or a security-based swap with a security-based
7 swap dealer or major security-based swap participant, as
8 appropriate, shall not apply with respect to swaps or secu-
9 rity-based swaps, as appropriate, entered into before the
10 date of the enactment of this Act.

11 **TITLE III—HOLDING COMPANY**
12 **REGISTRATION THRESHOLD**
13 **EQUALIZATION ACT**

14 **SEC. 301. REGISTRATION THRESHOLD FOR SAVINGS AND**
15 **LOAN HOLDING COMPANIES.**

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

18 (1) in section 12(g)—

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

23 (B) in paragraph (4), by inserting after
24 “case of a bank” the following: “, a savings and

1 loan holding company (as defined in section 10
2 of the Home Owners' Loan Act),"; and
3 (2) in section 15(d), by striking "ease of bank"
4 and inserting the following: "ease of a bank, a sav-
5 ings and loan holding company (as defined in section
6 10 of the Home Owners' Loan Act),".

7 **TITLE IV—SMALL BUSINESS**
8 **MERGERS, ACQUISITIONS,**
9 **SALES, AND BROKERAGE SIM-**
10 **PLIFICATION ACT**

11 **SEC. 401. REGISTRATION EXEMPTION FOR MERGER AND**
12 **ACQUISITION BROKERS.**

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

16 “(13) REGISTRATION EXEMPTION FOR MERGER
17 AND ACQUISITION BROKERS.—

18 “(A) IN GENERAL.—Except as provided in
19 subparagraph (B), an M&A broker shall be ex-
20 empt from registration under this section.

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

1 “(i) Directly or indirectly, in connec-
2 tion with the transfer of ownership of an
3 eligible privately held company, receives,
4 holds, transmits, or has custody of the
5 funds or securities to be exchanged by the
6 parties to the transaction.

7 “(ii) Engages on behalf of an issuer in
8 a public offering of any class of securities
9 that is registered, or is required to be reg-
10 istered, with the Commission under section
11 12 or with respect to which the issuer files,
12 or is required to file, periodic information,
13 documents, and reports under subsection
14 (d).

15 “(C) RULE OF CONSTRUCTION.—Nothing
16 in this paragraph shall be construed to limit
17 any other authority of the Commission to ex-
18 empt any person, or any class of persons, from
19 any provision of this title, or from any provision
20 of any rule or regulation thereunder.

21 “(D) DEFINITIONS.—In this paragraph:

22 “(i) CONTROL.—The term ‘control’
23 means the power, directly or indirectly, to
24 direct the management or policies of a
25 company, whether through ownership of

1 securities, by contract, or otherwise. There
2 is a presumption of control for any person
3 who—

4 “(I) is a director, general part-
5 ner, member or manager of a limited
6 liability company, or officer exercising
7 executive responsibility (or has similar
8 status or functions);

9 “(II) has the right to vote 20
10 percent or more of a class of voting
11 securities or the power to sell or direct
12 the sale of 20 percent or more of a
13 class of voting securities; or

14 “(III) in the case of a partner-
15 ship or limited liability company, has
16 the right to receive upon dissolution,
17 or has contributed, 20 percent or
18 more of the capital.

19 “(ii) ELIGIBLE PRIVATELY HELD
20 COMPANY.—The term ‘eligible privately
21 held company’ means a company that
22 meets both of the following conditions:

23 “(I) The company does not have
24 any class of securities registered, or
25 required to be registered, with the

1 Commission under section 12 or with
2 respect to which the company files, or
3 is required to file, periodic informa-
4 tion, documents, and reports under
5 subsection (d).

6 “(II) In the fiscal year ending
7 immediately before the fiscal year in
8 which the services of the M&A broker
9 are initially engaged with respect to
10 the securities transaction, the com-
11 pany meets either or both of the fol-
12 lowing conditions (determined in ac-
13 cordance with the historical financial
14 accounting records of the company):

15 “(aa) The earnings of the
16 company before interest, taxes,
17 depreciation, and amortization
18 are less than \$25,000,000.

19 “(bb) The gross revenues of
20 the company are less than
21 \$250,000,000.

22 “(iii) M&A BROKER.—The term ‘M&A
23 broker’ means a broker, and any person
24 associated with a broker, engaged in the
25 business of effecting securities transactions

1 solely in connection with the transfer of
2 ownership of an eligible privately held com-
3 pany, regardless of whether the broker acts
4 on behalf of a seller or buyer, through the
5 purchase, sale, exchange, issuance, repur-
6 chase, or redemption of, or a business com-
7 bination involving, securities or assets of
8 the eligible privately held company, if the
9 broker reasonably believes that—

10 “(I) upon consummation of the
11 transaction, any person acquiring se-
12 curities or assets of the eligible pri-
13 vately held company, acting alone or
14 in concert, will control and, directly or
15 indirectly, will be active in the man-
16 agement of the eligible privately held
17 company or the business conducted
18 with the assets of the eligible privately
19 held company; and

20 “(II) if any person is offered se-
21 curities in exchange for securities or
22 assets of the eligible privately held
23 company, such person will, prior to
24 becoming legally bound to consum-
25 mate the transaction, receive or have

1 reasonable access to the most recent
2 year-end balance sheet, income state-
3 ment, statement of changes in finan-
4 cial position, and statement of owner's
5 equity of the issuer of the securities
6 offered in exchange, and, if the finan-
7 cial statements of the issuer are au-
8 dited, the related report of the inde-
9 pendent auditor, a balance sheet
10 dated not more than 120 days before
11 the date of the offer, and information
12 pertaining to the management, busi-
13 ness, results of operations for the pe-
14 riod covered by the foregoing financial
15 statements, and material loss contin-
16 gencies of the issuer.

17 “(E) INFLATION ADJUSTMENT.—

18 “(i) IN GENERAL.—On the date that
19 is 5 years after the date of the enactment
20 of this paragraph, and every 5 years there-
21 after, each dollar amount in subparagraph
22 (D)(ii)(II) shall be adjusted by—

23 “(I) dividing the annual value of
24 the Employment Cost Index For
25 Wages and Salaries, Private Industry

1 Workers (or any successor index), as
2 published by the Bureau of Labor
3 Statistics, for the calendar year pre-
4 ceding the calendar year in which the
5 adjustment is being made by the an-
6 nual value of such index (or suc-
7 cessor) for the calendar year ending
8 December 31, 2014; and

9 “(II) multiplying such dollar
10 amount by the quotient obtained
11 under subclause (I).

12 “(ii) ROUNDING.—Each dollar
13 amount determined under clause (i) shall
14 be rounded to the nearest multiple of
15 \$100,000.”.

16 **SEC. 402. EFFECTIVE DATE.**

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

1 **TITLE V—SWAP DATA REPOSI-**
2 **TORY AND CLEARINGHOUSE**
3 **INDEMNIFICATION CORREC-**
4 **TIONS**

5 **SEC. 501. REPEAL OF INDEMNIFICATION REQUIREMENTS.**

6 (a) DERIVATIVES CLEARING ORGANIZATIONS.—Sec-
7 tion 5b(k)(5) of the Commodity Exchange Act (7 U.S.C.
8 7a–1(k)(5)) is amended to read as follows:

9 “(5) CONFIDENTIALITY AGREEMENT.—Before
10 the Commission may share information with any en-
11 tity described in paragraph (4), the Commission
12 shall receive a written agreement from each entity
13 stating that the entity shall abide by the confiden-
14 tiality requirements described in section 8 relating to
15 the information on swap transactions that is pro-
16 vided.”.

17 (b) SWAP DATA REPOSITORIES.—Section 21(d) of
18 the Commodity Exchange Act (7 U.S.C. 24a(d)) is amend-
19 ed to read as follows:

20 “(d) CONFIDENTIALITY AGREEMENT.—Before the
21 swap data repository may share information with any enti-
22 ty described in subsection (c)(7), the swap data repository
23 shall receive a written agreement from each entity stating
24 that the entity shall abide by the confidentiality require-

1 ments described in section 8 relating to the information
2 on swap transactions that is provided.”.

3 (c) SECURITY-BASED SWAP DATA REPOSITORIES.—
4 Section 13(n)(5)(H) of the Securities Exchange Act of
5 1934 (15 U.S.C. 78m(n)(5)(H)) is amended to read as
6 follows:

7 “(H) CONFIDENTIALITY AGREEMENT.—
8 Before the security-based swap data repository
9 may share information with any entity de-
10 scribed in subparagraph (G), the security-based
11 swap data repository shall receive a written
12 agreement from each entity stating that the en-
13 tity shall abide by the confidentiality require-
14 ments described in section 24 relating to the in-
15 formation on security-based swap transactions
16 that is provided.”.

17 (d) EFFECTIVE DATE.—The amendments made by
18 this Act shall take effect as if enacted as part of the Dodd-
19 Frank Wall Street Reform and Consumer Protection Act
20 (Public Law 111–203) on July 21, 2010.

1 **TITLE VI—IMPROVING ACCESS**
2 **TO CAPITAL FOR EMERGING**
3 **GROWTH COMPANIES ACT**

4 **SEC. 601. FILING REQUIREMENT FOR PUBLIC FILING**
5 **PRIOR TO PUBLIC OFFERING.**

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

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

11 Section 6(e)(1) of the Securities Act of 1933 (15
12 U.S.C. 77f(e)(1)) is further amended by adding at the end
13 the following: “An issuer that was an emerging growth
14 company at the time it submitted a confidential registra-
15 tion statement or, in lieu thereof, a publicly filed registra-
16 tion statement for review under this subsection but ceases
17 to be an emerging growth company thereafter shall con-
18 tinue to be treated as an emerging market growth com-
19 pany for the purposes of this subsection through the ear-
20 lier of the date on which the issuer consummates its initial
21 public offering pursuant to such registrations statement
22 or the end of the 1-year period beginning on the date the
23 company ceases to be an emerging growth company.”.

1 **SEC. 603. SIMPLIFIED DISCLOSURE REQUIREMENTS FOR**
2 **EMERGING GROWTH COMPANIES.**

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

6 “(d) SIMPLIFIED DISCLOSURE REQUIREMENTS.—
7 With respect to an emerging growth company (as such
8 term is defined under section 2 of the Securities Act of
9 1933):

10 “(1) REQUIREMENT TO INCLUDE NOTICE ON
11 FORM S–1.—Not later than 30 days after the date
12 of enactment of this subsection, the Securities and
13 Exchange Commission shall revise its general in-
14 structions on Form S–1 to indicate that a registra-
15 tion statement filed (or submitted for confidential
16 review) by an issuer prior to an initial public offer-
17 ing may omit financial information for historical pe-
18 riods otherwise required by regulation S–X (17
19 C.F.R. 210.1–01 et seq.) as of the time of filing (or
20 confidential submission) of such registration state-
21 ment, provided that—

22 “(A) the omitted financial information re-
23 lates to a historical period that the issuer rea-
24 sonably believes will not be required to be in-
25 cluded in the Form S–1 at the time of the con-
26 templated offering; and

1 “(B) prior to the issuer distributing a pre-
2 liminary prospectus to investors, such registra-
3 tion statement is amended to include all finan-
4 cial information required by such regulation S-
5 X at the date of such amendment.

6 “(2) RELIANCE BY ISSUERS.—Effective 30 days
7 after the date of enactment of this subsection, an
8 issuer filing a registration statement (or submitting
9 the statement for confidential review) on Form S-
10 1 may omit financial information for historical peri-
11 ods otherwise required by regulation S-X (17 C.F.R.
12 210.1-01 et seq.) as of the time of filing (or con-
13 fidential submission) of such registration statement,
14 provided that—

15 “(A) the omitted financial information re-
16 lates to a historical period that the issuer rea-
17 sonably believes will not be required to be in-
18 cluded in the Form S-1 at the time of the con-
19 templated offering; and

20 “(B) prior to the issuer distributing a pre-
21 liminary prospectus to investors, such registra-
22 tion statement is amended to include all finan-
23 cial information required by such regulation S-
24 X at the date of such amendment.”.

1 **TITLE VII—SMALL COMPANY**
2 **DISCLOSURE SIMPLIFICA-**
3 **TION ACT**

4 **SEC. 701. EXEMPTION FROM XBRL REQUIREMENTS FOR**
5 **EMERGING GROWTH COMPANIES AND OTHER**
6 **SMALLER COMPANIES.**

7 (a) EXEMPTION FOR EMERGING GROWTH COMPA-
8 NIES.—Emerging growth companies are exempted from
9 the requirements to use Extensible Business Reporting
10 Language (XBRL) for financial statements and other
11 periodic reporting required to be filed with the Commis-
12 sion under the securities laws. Such companies may elect
13 to use XBRL for such reporting.

14 (b) EXEMPTION FOR OTHER SMALLER COMPA-
15 NIES.—Issuers with total annual gross revenues of less
16 than \$250,000,000 are exempt from the requirements to
17 use XBRL for financial statements and other periodic re-
18 porting required to be filed with the Commission under
19 the securities laws. Such issuers may elect to use XBRL
20 for such reporting. An exemption under this subsection
21 shall continue in effect until—

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

24 (2) the date that is two years after a deter-
25 mination by the Commission, by order after con-

1 ducting the analysis required by section 702, that
2 the benefits of such requirements to such issuers
3 outweigh the costs, but no earlier than three years
4 after enactment of this Act.

5 (c) MODIFICATIONS TO REGULATIONS.—Not later
6 than 60 days after the date of enactment of this Act, the
7 Commission shall revise its regulations under parts 229,
8 230, 232, 239, 240, and 249 of title 17, Code of Federal
9 Regulations, to reflect the exemptions set forth in sub-
10 sections (a) and (b).

11 **SEC. 702. ANALYSIS BY THE SEC.**

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

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

23 (2) the effects on efficiency, competition, capital
24 formation, and financing and on analyst coverage of

1 such issuers (including any such effects resulting
2 from use of XBRL by investors);

3 (3) the costs to such issuers of—

4 (A) submitting data to the Commission in
5 XBRL;

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

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

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

12 (4) the benefits to the Commission in terms of
13 improved ability to monitor securities markets, as-
14 sess the potential outcomes of regulatory alter-
15 natives, and enhance investor participation in cor-
16 porate governance and promote capital formation;
17 and

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

21 **SEC. 703. REPORT TO CONGRESS.**

22 Not later than one year after the date of enactment
23 of this Act, the Commission shall provide the Committee
24 on Financial Services of the House of Representatives and

1 the Committee on Banking, Housing, and Urban Affairs
2 of the Senate a report regarding—

3 (1) the progress in implementing XBRL report-
4 ing within the Commission;

5 (2) the use of XBRL data by Commission offi-
6 cials;

7 (3) the use of XBRL data by investors;

8 (4) the results of the analysis required by sec-
9 tion 702; and

10 (5) any additional information the Commission
11 considers relevant for increasing transparency, de-
12 creasing costs, and increasing efficiency of regu-
13 latory filings with the Commission.

14 **SEC. 704. DEFINITIONS.**

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

19 **TITLE VIII—RESTORING PROVEN**
20 **FINANCING FOR AMERICAN**
21 **EMPLOYERS ACT**

22 **SEC. 801. RULES OF CONSTRUCTION RELATING TO**
23 **COLLATERALIZED LOAN OBLIGATIONS.**

24 Section 13(c)(2) of the Bank Holding Company Act
25 of 1956 (12 U.S.C. 1851(c)(2)) is amended—

1 (1) by striking “A banking entity or nonbank
2 financial company supervised by the Board” and in-
3 serting the following:

4 “(A) GENERAL CONFORMANCE PERIOD.—
5 A banking entity or nonbank financial company
6 supervised by the Board”; and

7 (2) by adding at the end the following:

8 “(B) CONFORMANCE PERIOD FOR CERTAIN
9 COLLATERALIZED LOAN OBLIGATIONS.—

10 “(i) IN GENERAL.—Notwithstanding
11 subparagraph (A), a banking entity or
12 nonbank financial company supervised by
13 the Board shall bring its activities related
14 to or investments in a debt security of a
15 collateralized loan obligation issued before
16 January 31, 2014, into compliance with
17 the requirements of subsection (a)(1)(B)
18 and any applicable rules relating to sub-
19 section (a)(1)(B) not later than July 21,
20 2019.

21 “(ii) COLLATERALIZED LOAN OBLIGA-
22 TION.—For purposes of this subparagraph,
23 the term ‘collateralized loan obligation’
24 means any issuing entity of an asset-
25 backed security, as defined in section

1 3(a)(77) of the Securities Exchange Act of
2 1934 (15 U.S.C. 78c(a)(77)), that is com-
3 prised primarily of commercial loans.”.

4 **TITLE IX—SBIC ADVISERS**
5 **RELIEF ACT**

6 **SEC. 901. ADVISERS OF SBICS AND VENTURE CAPITAL**
7 **FUNDS.**

8 Section 203(l) of the Investment Advisers Act of
9 1940 (15 U.S.C. 80b–3(l)) is amended—

10 (1) by striking “No investment adviser” and in-
11 serting the following:

12 “(1) IN GENERAL.—No investment adviser”;
13 and

14 (2) by adding at the end the following:

15 “(2) ADVISERS OF SBICS.—For purposes of this
16 subsection, a venture capital fund includes an entity
17 described in subparagraph (A), (B), or (C) of sub-
18 section (b)(7) (other than an entity that has elected
19 to be regulated or is regulated as a business develop-
20 ment company pursuant to section 54 of the Invest-
21 ment Company Act of 1940).”.

22 **SEC. 902. ADVISERS OF SBICS AND PRIVATE FUNDS.**

23 Section 203(m) of the Investment Advisers Act of
24 1940 (15 U.S.C. 80b–3(m)) is amended by adding at the
25 end the following:

1 “(3) ADVISERS OF SBICS.—For purposes of this
2 subsection, the assets under management of a pri-
3 vate fund that is an entity described in subpara-
4 graph (A), (B), or (C) of subsection (b)(7) (other
5 than an entity that has elected to be regulated or is
6 regulated as a business development company pursu-
7 ant to section 54 of the Investment Company Act of
8 1940) shall be excluded from the limit set forth in
9 paragraph (1).”.

10 **SEC. 903. RELATIONSHIP TO STATE LAW.**

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

13 (1) in subparagraph (A), by striking “or” at
14 the end;

15 (2) in subparagraph (B), by striking the period
16 at the end and inserting “; or”; and

17 (3) by adding at the end the following:

18 “(C) that is not registered under section
19 203 because that person is exempt from reg-
20 istration as provided in subsection (b)(7) of
21 such section, or is a supervised person of such
22 person.”.

1 **TITLE X—DISCLOSURE MOD-**
2 **ERNIZATION AND SIM-**
3 **PLIFICATION ACT**

4 **SEC. 1001. SUMMARY PAGE FOR FORM 10-K.**

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

13 **SEC. 1002. IMPROVEMENT OF REGULATION S-K.**

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

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

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

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

8 **SEC. 1003. STUDY ON MODERNIZATION AND SIMPLIFICA-**
9 **TION OF REGULATION S–K.**

10 (a) **STUDY.**—The Securities and Exchange Commis-
11 sion shall carry out a study of the requirements contained
12 in regulation S–K (17 C.F.R. 229.10 et seq.). Such study
13 shall—

14 (1) determine how best to modernize and sim-
15 plify such requirements in a manner that reduces
16 the costs and burdens on issuers while still providing
17 all material information;

18 (2) emphasize a company by company approach
19 that allows relevant and material information to be
20 disseminated to investors without boilerplate lan-
21 guage or static requirements while preserving com-
22 pleteness and comparability of information across
23 registrants; and

24 (3) evaluate methods of information delivery
25 and presentation and explore methods for discour-

1 aging repetition and the disclosure of immaterial in-
2 formation.

3 (b) CONSULTATION.—In conducting the study re-
4 quired under subsection (a), the Commission shall consult
5 with the Investor Advisory Committee and the Advisory
6 Committee on Small and Emerging Companies.

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

11 (1) all findings and determinations made in car-
12 rying out the study required under subsection (a);

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

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

22 (d) RULEMAKING.—Not later than the end of the
23 360-day period beginning on the date that the report is
24 issued to the Congress under subsection (c), the Commis-

1 sion shall issue a proposed rule to implement the rec-
2 ommendations of the report issued under subsection (c).

3 (e) **RULE OF CONSTRUCTION.**—Revisions made to
4 regulation S–K by the Commission under section 1002
5 shall not be construed as satisfying the rulemaking re-
6 quirements under this section.

7 **TITLE XI—ENCOURAGING** 8 **EMPLOYEE OWNERSHIP ACT**

9 **SEC. 1101. INCREASED THRESHOLD FOR DISCLOSURES RE-**
10 **LATING TO COMPENSATORY BENEFIT PLANS.**

11 Not later than 60 days after the date of the enact-
12 ment of this Act, the Securities and Exchange Commission
13 shall revise section 230.701(e) of title 17, Code of Federal
14 Regulations, so as to increase from \$5,000,000 to
15 \$10,000,000 the aggregate sales price or amount of secu-
16 rities sold during any consecutive 12-month period in ex-
17 cess of which the issuer is required under such section to
18 deliver an additional disclosure to investors. The Commis-
19 sion shall index for inflation such aggregate sales price
20 or amount every 5 years to reflect the change in the Con-
21 sumer Price Index for All Urban Consumers published by
22 the Bureau of Labor Statistics, rounding to the nearest
23 \$1,000,000.