

[DISCUSSION DRAFT]

119TH CONGRESS
1ST SESSION

H. R. _____

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.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

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.

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 “Helping Angels Lead
5 Our Startups Act of 2025” or the “HALOS Act of 2025”.

1 **SEC. 2. CLARIFICATION OF GENERAL SOLICITATION.**

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

4 (1) ANGEL INVESTOR GROUP.—The term
5 “angel investor group” means any group that—

6 (A) is composed of accredited investors in-
7 terested in investing personal capital in early-
8 stage companies;

9 (B) holds regular meetings and has defined
10 processes and procedures for making invest-
11 ment decisions, either individually or among the
12 membership of the group as a whole; and

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

15 (2) ISSUER.—The term “issuer” means an
16 issuer that is a business, is not in bankruptcy or re-
17 ceivership, is not an investment company, and is not
18 a blank check, blind pool, or shell company.

19 (b) IN GENERAL.—Not later than 6 months after the
20 date of enactment of this Act, the Securities and Ex-
21 change Commission shall revise Regulation D (17 CFR
22 230.500 et seq.) to require that in carrying out the prohi-
23 bition against general solicitation or general advertising
24 contained in section 230.502(c) of title 17, Code of Fed-
25 eral Regulations, the prohibition shall not apply to a pres-

1 entation or other communication made by or on behalf of
2 an issuer which is made at an event—

3 (1) sponsored by—

4 (A) the United States or any territory
5 thereof, the District of Columbia, any State, a
6 political subdivision of any State or territory, or
7 any agency or public instrumentality of any of
8 the foregoing;

9 (B) a college, university, or other institu-
10 tion of higher education;

11 (C) a nonprofit organization;

12 (D) an angel investor group;

13 (E) a venture forum, venture capital asso-
14 ciation, or trade association; or

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

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

21 (3) the sponsor of which—

22 (A) does not make investment rec-
23 ommendations or provide investment advice to
24 event attendees;

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

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

6 (D) does not receive any compensation for
7 making introductions between investors attend-
8 ing the event and issuers, or for investment ne-
9 gotiations between such parties;

10 (E) makes readily available to attendees a
11 disclosure not longer than one page in length,
12 as prescribed by the Securities and Exchange
13 Commission, describing the nature of the event
14 and the risks of investing in the issuers pre-
15 senting at the event; and

16 (F) does not receive any compensation
17 with respect to such event that would require
18 registration of the sponsor as a broker or a
19 dealer under the Securities Exchange Act of
20 1934, or as an investment advisor under the In-
21 vestment Advisers Act of 1940; and

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

1 (A) that the issuer is in the process of of-
2 fering securities or planning to offer securities;

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

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

7 (D) the intended use of proceeds of the of-
8 fering.

9 (c) RULE OF CONSTRUCTION.—Subsection (b) may
10 only be construed as requiring the Securities and Ex-
11 change Commission to amend the requirements of Regula-
12 tion D with respect to presentations and communications,
13 and not with respect to purchases or sales.

14 (d) NO PRE-EXISTING SUBSTANTIVE RELATIONSHIP
15 BY REASON OF EVENT.—Attendance at an event de-
16 scribed under subsection (b) shall not qualify, by itself,
17 as establishing a pre-existing substantive relationship be-
18 tween an issuer and a purchaser, for purposes of Rule
19 506(b).