

[DISCUSSION DRAFT]

118TH CONGRESS
1ST SESSION

H. R. _____

To require the Securities and Exchange Commission to revise certain thresholds related to smaller reporting companies, accelerated filers, and large accelerated filers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To require the Securities and Exchange Commission to revise certain thresholds related to smaller reporting companies, accelerated filers, and large accelerated filers, 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. SMALLER REPORTING COMPANY, ACCELER-**
4 **ATED FILER, AND LARGE ACCELERATED**
5 **FILER THRESHOLDS.**

6 (a) SMALLER REPORTING COMPANIES.—

1 (1) IN GENERAL.—The Securities and Ex-
2 change Commission shall revise the definition of a
3 “smaller reporting company” under section
4 229.10(f)(1) of title 17, Code of Federal Regula-
5 tions—

6 (A) in paragraph (i), by adjusting the pub-
7 lic float threshold from \$250,000,000 to
8 \$500,000,000; and

9 (B) in paragraph (ii)—

10 (i) by adjusting the annual revenue
11 threshold from \$100,000,000 to
12 \$250,000,000; and

13 (ii) in paragraph (B), by adjusting the
14 public float threshold from \$700,000,000
15 to \$900,000,000.

16 (2) USE OF THREE-YEAR ROLLING AVERAGE
17 REVENUES.—The Securities and Exchange Commis-
18 sion shall revise paragraphs (1)(ii) and (2)(iii)(B)
19 under the definition of “smaller reporting company”
20 under section 229.10(f)(1) of title 17, Code of Fed-
21 eral Regulations, by substituting “three-year rolling
22 average revenues” for “annual revenues”.

23 (3) CONFORMING CHANGES.—The Securities
24 and Exchange Commission shall revise the definition
25 of a “smaller reporting company” under sections

1 230.405 and 240.12b-2 of title 17, Code of Federal
2 Regulations, and any other rule of the Commission
3 in the same manner as such definition is revised
4 under paragraphs (1) and (2).

5 (b) ACCELERATED FILERS AND LARGE ACCELER-
6 ATED FILERS.—

7 (1) LARGE ACCELERATED FILER.—The Securi-
8 ties and Exchange Commission shall revise the defi-
9 nition of a “large accelerated filer” under section
10 240.12b-2(2) of title 17, Code of Federal Regula-
11 tions, to increase the threshold amount (for the ag-
12 gregate worldwide market value of the voting and
13 non-voting common equity held by non-affiliates of
14 an issuer) from \$700,000,000 to \$750,000,000.

15 (2) THRESHOLD TO EXIT ACCELERATED FILER
16 STATUS.—The Securities and Exchange Commission
17 shall revise section 240.12b-2(3)(ii) of title 17, Code
18 of Federal Regulations, to increase the threshold
19 amount (for the aggregate worldwide market value
20 of the voting and non-voting common equity held by
21 non-affiliates of an issuer) at which an issuer is no
22 longer an accelerated filer from \$60,000,000 to
23 \$75,000,000.

24 (3) THRESHOLD TO EXIT LARGE ACCELERATED
25 FILER STATUS.—The Securities and Exchange Com-

1 mission shall revise section 240.12b-2(3)(iii) of title
2 17, Code of Federal Regulations, to increase the
3 threshold amount (for the aggregate worldwide mar-
4 ket value of the voting and non-voting common eq-
5 uity held by non-affiliates of an issuer) at which an
6 issuer is no longer a large accelerated filer from
7 \$560,000,000 to \$750,000,000.

8 (4) EXCLUSION OF SMALLER REPORTING COM-
9 PANIES.—The Securities and Exchange Commission
10 shall revise the definitions of an “accelerated filer”
11 and a “large accelerated filer” under paragraphs (1)
12 and (2) of section 240.12b-2 of title 17, Code of
13 Federal Regulations, respectively, to exclude any
14 issuer that is a smaller reporting company, as de-
15 fined under section 229.10(f)(1) of title 17, Code of
16 Federal Regulations.