

Union Calendar No. 280

115TH CONGRESS
1ST SESSION

H. R. 2201

[Report No. 115-383]

To amend the Securities Act of 1933 to exempt certain micro-offerings from the registration requirements of such Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2017

Mr. EMMER introduced the following bill; which was referred to the Committee on Financial Services

NOVEMBER 1, 2017

Additional sponsors: Mr. STIVERS, Mr. MESSER, Mr. TIPTON, Mr. PITTENGER, and Mr. MACARTHUR

NOVEMBER 1, 2017

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To amend the Securities Act of 1933 to exempt certain micro-offerings from the registration requirements of such Act, 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 “Micro Offering Safe
5 Harbor Act”.

6 **SEC. 2. EXEMPTIONS FOR MICRO-OFFERINGS.**

7 (a) IN GENERAL.—Section 4 of the Securities Act of
8 1933 (15 U.S.C. 77d) is amended—

9 (1) in subsection (a), by adding at the end the
10 following:

11 “(8) transactions meeting the requirements of
12 subsection (f).”; and

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

14 “(f) CERTAIN MICRO-OFFERINGS.—The transactions
15 referred to in subsection (a)(8) are transactions involving
16 the sale of securities by an issuer (including all entities
17 controlled by or under common control with the issuer)
18 that meet all of the following requirements:

19 “(1) PRE-EXISTING RELATIONSHIP.—Each pur-
20 chaser has a substantive pre-existing relationship
21 with an officer of the issuer, a director of the issuer,
22 or a shareholder holding 10 percent or more of the
23 shares of the issuer.

24 “(2) 35 OR FEWER PURCHASERS.—There are
25 no more than, or the issuer reasonably believes that

1 there are no more than, 35 purchasers of securities
2 from the issuer that are sold in reliance on the ex-
3 emption provided under subsection (a)(8) during the
4 12-month period preceding such transaction.

5 “(3) SMALL OFFERING AMOUNT.—The aggre-
6 gate amount of all securities sold by the issuer, in-
7 cluding any amount sold in reliance on the exemp-
8 tion provided under subsection (a)(8), during the 12-
9 month period preceding such transaction, does not
10 exceed \$500,000.”.

11 (b) EXEMPTION UNDER STATE REGULATIONS.—Sec-
12 tion 18(b)(4) of the Securities Act of 1933 (15 U.S.C.
13 77r(b)(4)) is amended—

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

16 (2) in subparagraph (G), by striking the period
17 and inserting “; or”; and

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

19 “(H) section 4(a)(8).”.

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