

116TH CONGRESS
2D SESSION

H. R. 6252

To amend the Securities Act of 1933 to provide an exemption for certain micro-offering transactions, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 12, 2020

Mr. MCHENRY (for himself, Mrs. WAGNER, Mr. BARR, Mr. STIVERS, and Mr. HUIZENGA) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Securities Act of 1933 to provide an exemption for certain micro-offering transactions, 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 “Relief for Small Busi-
5 nesses Through Micro-Offerings Act of 2020”.

1 **SEC. 2. EXEMPT TRANSACTIONS FOR CERTAIN MICRO-OF-**
2 **FERINGS.**

3 (a) IN GENERAL.—Section 4(a) of the Securities Act
4 of 1933 (15 U.S.C. 77d(a)) is amended by adding at the
5 end the following:

6 “(8) transactions involving the offer or sale of
7 securities by an issuer (including all entities con-
8 trolled by or under common control with the issuer),
9 provided that—

10 “(A) the aggregate amount sold to all in-
11 vestors by the issuer, including any amount sold
12 in reliance on the exemption provided under
13 this paragraph during the 12-month period pre-
14 ceding the date of such transaction, is not more
15 than \$250,000;

16 “(B) the aggregate amount sold to any in-
17 vestor by an issuer, including any amount sold
18 in reliance on the exemption provided under
19 this paragraph during the 12-month period pre-
20 ceding the date of such transaction, does not
21 exceed \$5,000; and

22 “(C) the transaction is conducted through
23 a broker or funding portal registered with the
24 Commission.”.

25 (b) AUTHORITY TO PROHIBIT BAD ACTORS.—In
26 issuing rules to carry out section 4(a)(8) of the Securities

1 Act of 1933, as added by subsection (a), the Securities
2 and Exchange Commission may prohibit a person from en-
3 gaging in a transaction described under such section
4 4(a)(8) if such person is subject to an event that would
5 disqualify an issuer or other covered person under Rule
6 506(d)(1) of Regulation D (17 CFR 230.506(d)(1)) or is
7 subject to a statutory disqualification described under sec-
8 tion 3(a)(39) of the Securities Exchange Act of 1934.

9 (c) TERMINATION.—Effective on the date that is 3
10 years after the date of the enactment of this Act, para-
11 graph (8) of section 4(a) of the Securities Act of 1933
12 (15 U.S.C. 77d(a)), as added by subsection (a), is re-
13 pealed.

14 (d) STUDY.—Not later than 1 year after the date of
15 the enactment of this Act, the Comptroller General of the
16 United States shall submit to Congress a study on the im-
17 pact of paragraph (8) of section 4(a) of the Securities Act
18 of 1933 (15 U.S.C. 77d(a)), as added by subsection (a).

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