

**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 4638
OFFERED BY MS. MAXINE WATERS OF
CALIFORNIA**

Strike section 2 and insert the following:

1 SEC. 2. STUDY AND REPORT ON VENTURE MARKETS.

2 (a) STUDY.—The Securities and Exchange Commis-
3 sion shall conduct a study to evaluate—

4 (1) past efforts to create venture exchanges in-
5 side and outside of the United States;

6 (2) the effectiveness of existing venture mar-
7 kets, including markets operated by alternative trad-
8 ing systems registered with the Commission, inside
9 and outside of the United States; and

10 (3) whether additional relief for venture ex-
11 changes or other improvements to venture markets
12 are warranted to promote liquidity in the secondary
13 markets for small companies.

14 (b) CONSIDERATIONS.—In conducting the study re-
15 quired by subsection (a), the Commission shall consider
16 the protection of investors in small companies and the
17 need of small companies for efficient secondary markets.

1 (c) REPORT.—Not later than 1 year after the date
2 of the enactment of this Act, the Commission shall submit
3 to Congress a report containing the results of the study
4 required by subsection (a).

Add at the end the following instruction:

Amend the title so as to read: “A bill to direct the Securities and Exchange Commission to conduct a study and submit to Congress a report on venture markets.”.

