AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 5910
OFFERED BY MR. STEIL OF WISCONSIN

Strike sections 1 and 2 and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Helping Startups Continue To Grow Act”.

SEC. 2. ON-RAMP EXTENSION.

(a) DEFINITION OF A RECENT EMERGING GROWTH COMPANY.—

(1) SECURITIES ACT OF 1933.—Section 2(a) of the Securities Act of 1933 (15 U.S.C. 77b(a)) is amended by adding at the end the following:

“(20) RECENT EMERGING GROWTH COMPANY.—The term ‘recent emerging growth company’ means an issuer that—

“(A) was, but is no longer, an emerging growth company;

“(B) would continue to be an emerging growth company but for the application of subparagraph (B) of paragraph (19); and

“(C) ceased to be an emerging growth company within the previous 5-year period.”.

(A) by redesignating the second paragraph (80) as paragraph (81); and

(B) by adding at the end the following:

“(82) Recent Emerging Growth Company.—The term ‘recent emerging growth company’ means an issuer that—

“(A) was, but is no longer, an emerging growth company;

“(B) would continue to be an emerging growth company but for the application of subparagraph (B) of paragraph (80); and

“(C) ceased to be an emerging growth company within the previous 5-year period.”.

(b) Streamlined Financial Disclosures.—

(1) Securities Act of 1933.—Section 7(a)(2) of the Securities Act of 1933 (15 U.S.C. 77g(a)(2)) is amended—

(A) by inserting after “An emerging growth company” the following: “and a recent emerging growth company”; and

(B) in subparagraph (A)—
(i) by striking “such emerging growth company” and inserting “such company”; and

(ii) by striking “an emerging growth company” and inserting “such company”.

(2) Securities Exchange Act of 1934.—Section 13(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a)) is amended by adding at the end the following: “The previous sentence shall apply, to the same extent as such sentence applies to an emerging growth company, to a recent emerging growth company.”.

(3) Other Disclosures.—A recent emerging growth company (as defined under section 2 of the Securities Act of 1933) may comply with section 229.303(a) of title 17, Code of Federal Regulations, or any successor thereto, by providing information required by such section with respect to the financial statements of the company for each period presented pursuant to section 7(a) of the Securities Act of 1933 (15 U.S.C. 77g(a)). Such a company may comply with section 229.402 of title 17, Code of Federal Regulations, or any successor thereto, by disclosing the same information as any issuer with a market value of outstanding voting and nonvoting common
equity held by non-affiliates of less than $75,000,000.

(c) **DRAFT REGISTRATION STATEMENTS.**—Section 6(e)(1) of the Securities Act of 1933 (15 U.S.C. 77f(e)(1)) is amended—

(1) by striking “emerging growth company” each place such term appears and inserting “emerging growth company or recent emerging growth company”; and

(2) by striking “emerging market growth company” and inserting “emerging growth company or recent emerging growth company”.

(d) **EXECUTIVE COMPENSATION DISCLOSURES.**—

(1) **CERTAIN SHAREHOLDER DISCLOSURES.**—

Section 14A(e)(2) of the Securities Exchange Act of 1934 (15 U.S.C. 78n–1(e)) is amended—

(A) in subparagraph (A), by striking “An emerging growth company” and inserting the following “Any emerging growth company or recent emerging growth company”; and

(B) in subparagraph (B)—

(i) in the heading, by striking “TERMINATION OF EMERGING GROWTH COMPANY TREATMENT” and inserting “EXEMPTION”;
(ii) by striking “an emerging growth company but is no longer an emerging growth company” and inserting “exempt under subparagraph (A) but is no longer exempt”; and

(iii) in clause (ii), by inserting before the period the following: “or a recent emerging growth company”.

(2) Pay Ratio Disclosures.—Section 953(b)(1) of the Investor Protection and Securities Reform Act of 2010 (15 U.S.C. 78l note) is amended, by striking “, as that term is defined in” and inserting “or a recent emerging growth company, as such terms are defined, respectively, under”.

(3) Pay vs. Performance Disclosures.—Section 14(i) of the Securities Exchange Act of 1934 (15 U.S.C. 78n(i)) is amended by inserting after “emerging growth company” the following: “or a recent emerging growth company”.

(4) Simplified Executive Compensation Disclosures.—The Securities and Exchange Commission shall amend section 229.402(l) of title 17, Code of Federal Regulations, to permit a recent emerging growth company (as defined under section 2 of the Securities Act of 1933) to make use of the
same scaled disclosures for executive compensation that are available pursuant to such section for smaller reporting companies and emerging growth companies.