AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 5913
OFFERED BY MR. HUIZENGA OF MICHIGAN

Strike sections 1 and 2 and insert the following:

SECTION 1. STUDY ON THE ECONOMICS OF THE SPAC PROCESS.

(a) STUDY.—The Securities and Exchange Commission shall carry out a study of the following:

(1) The economics of special purpose acquisition company (“SPAC”) transactions, including—

(A) “promote” economics in SPAC transactions; and

(B) trends in the SPAC market regarding “promote” structures and the impact of such structures on the size and nature of sponsor “promotes”.

(2) The trading dynamics of SPACs.

(3) The institutional and retail investor incentives and behavior at each stage of a SPAC, including initial public offering, pre-acquisition secondary trading, private investment in public equity, and post-merger.

(4) With respect to the de-SPAC process:
(A) The ultimate dilution borne by shareholders post de-SPAC, and the extent of retail participation as shareholders.

(B) Whether a potential disclosure of cash per share contingent on specified levels of redemption would aid investors in understanding the impact of de-SPAC dilution.

(b) REPORT.—Not later than the end of the 180-day period beginning on the date of enactment of this Act, the Commission shall issue a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate containing all findings and determinations made in carrying out the study required under subsection (a).