

## 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.

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### 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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1<sup>ST</sup> Session

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