

114TH CONGRESS  
1ST SESSION

# H. R. 37

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## AN ACT

To make technical corrections to the Dodd-Frank Wall Street Reform and Consumer Protection Act, to enhance the ability of small and emerging growth companies to access capital through public and private markets, to reduce regulatory burdens, 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,*

1 **SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Promoting Job Cre-  
3 ation and Reducing Small Business Burdens Act”.

4 **SEC. 2. TABLE OF CONTENTS.**

5       The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.

TITLE I—BUSINESS RISK MITIGATION AND PRICE STABILIZATION  
ACT

- Sec. 101. Margin requirements.
- Sec. 102. Implementation.

TITLE II—TREATMENT OF AFFILIATE TRANSACTIONS

- Sec. 201. Treatment of affiliate transactions.

TITLE III—HOLDING COMPANY REGISTRATION THRESHOLD  
EQUALIZATION ACT

- Sec. 301. Registration threshold for savings and loan holding companies.

TITLE IV—SMALL BUSINESS MERGERS, ACQUISITIONS, SALES,  
AND BROKERAGE SIMPLIFICATION ACT

- Sec. 401. Registration exemption for merger and acquisition brokers.
- Sec. 402. Effective date.

TITLE V—SWAP DATA REPOSITORY AND CLEARINGHOUSE  
INDEMNIFICATION CORRECTIONS

- Sec. 501. Repeal of indemnification requirements.

TITLE VI—IMPROVING ACCESS TO CAPITAL FOR EMERGING  
GROWTH COMPANIES ACT

- Sec. 601. Filing requirement for public filing prior to public offering.
- Sec. 602. Grace period for change of status of emerging growth companies.
- Sec. 603. Simplified disclosure requirements for emerging growth companies.

TITLE VII—SMALL COMPANY DISCLOSURE SIMPLIFICATION ACT

- Sec. 701. Exemption from XBRL requirements for emerging growth companies  
and other smaller companies.
- Sec. 702. Analysis by the SEC.
- Sec. 703. Report to Congress.
- Sec. 704. Definitions.

TITLE VIII—RESTORING PROVEN FINANCING FOR AMERICAN  
EMPLOYERS ACT

- Sec. 801. Rules of construction relating to collateralized loan obligations.

## TITLE IX—SBIC ADVISERS RELIEF ACT

- Sec. 901. Advisers of SBICs and venture capital funds.  
 Sec. 902. Advisers of SBICs and private funds.  
 Sec. 903. Relationship to State law.

TITLE X—DISCLOSURE MODERNIZATION AND SIMPLIFICATION  
ACT

- Sec. 1001. Summary page for form 10-K.  
 Sec. 1002. Improvement of regulation S-K.  
 Sec. 1003. Study on modernization and simplification of regulation S-K.

## TITLE XI—ENCOURAGING EMPLOYEE OWNERSHIP ACT

- Sec. 1101. Increased threshold for disclosures relating to compensatory benefit plans.

1 **TITLE I—BUSINESS RISK MITI-**  
 2 **GATION AND PRICE STA-**  
 3 **BILIZATION ACT**

4 **SEC. 101. MARGIN REQUIREMENTS.**

5 (a) COMMODITY EXCHANGE ACT AMENDMENT.—  
 6 Section 4s(e) of the Commodity Exchange Act (7 U.S.C.  
 7 6s(e)), as added by section 731 of the Dodd-Frank Wall  
 8 Street Reform and Consumer Protection Act, is amended  
 9 by adding at the end the following new paragraph:

10 “(4) APPLICABILITY WITH RESPECT TO  
 11 COUNTERPARTIES.—The requirements of paragraphs  
 12 (2)(A)(ii) and (2)(B)(ii), including the initial and  
 13 variation margin requirements imposed by rules  
 14 adopted pursuant to paragraphs (2)(A)(ii) and  
 15 (2)(B)(ii), shall not apply to a swap in which a  
 16 counterparty qualifies for an exception under section  
 17 2(h)(7)(A), or an exemption issued under section  
 18 4(c)(1) from the requirements of section 2(h)(1)(A)

1 for cooperative entities as defined in such exemption,  
2 or satisfies the criteria in section 2(h)(7)(D).”.

3 (b) SECURITIES EXCHANGE ACT AMENDMENT.—

4 Section 15F(e) of the Securities Exchange Act of 1934  
5 (15 U.S.C. 78o–10(e)), as added by section 764(a) of the  
6 Dodd-Frank Wall Street Reform and Consumer Protec-  
7 tion Act, is amended by adding at the end the following  
8 new paragraph:

9 “(4) APPLICABILITY WITH RESPECT TO  
10 COUNTERPARTIES.—The requirements of paragraphs  
11 (2)(A)(ii) and (2)(B)(ii) shall not apply to a secu-  
12 rity-based swap in which a counterparty qualifies for  
13 an exception under section 3C(g)(1) or satisfies the  
14 criteria in section 3C(g)(4).”.

15 **SEC. 102. IMPLEMENTATION.**

16 The amendments made by this title to the Commodity  
17 Exchange Act shall be implemented—

18 (1) without regard to—

19 (A) chapter 35 of title 44, United States  
20 Code; and

21 (B) the notice and comment provisions of  
22 section 553 of title 5, United States Code;

23 (2) through the promulgation of an interim  
24 final rule, pursuant to which public comment will be  
25 sought before a final rule is issued; and

1           (3) such that paragraph (1) shall apply solely  
2 to changes to rules and regulations, or proposed  
3 rules and regulations, that are limited to and di-  
4 rectly a consequence of such amendments.

## 5           **TITLE II—TREATMENT OF** 6           **AFFILIATE TRANSACTIONS**

### 7   **SEC. 201. TREATMENT OF AFFILIATE TRANSACTIONS.**

8           (a) IN GENERAL.—

9           (1) COMMODITY EXCHANGE ACT AMEND-  
10          MENT.—Section 2(h)(7)(D)(i) of the Commodity Ex-  
11          change Act (7 U.S.C. 2(h)(7)(D)(i)) is amended to  
12          read as follows:

13                   “(i) IN GENERAL.—An affiliate of a  
14                   person that qualifies for an exception  
15                   under subparagraph (A) (including affiliate  
16                   entities predominantly engaged in pro-  
17                   viding financing for the purchase of the  
18                   merchandise or manufactured goods of the  
19                   person) may qualify for the exception only  
20                   if the affiliate enters into the swap to  
21                   hedge or mitigate the commercial risk of  
22                   the person or other affiliate of the person  
23                   that is not a financial entity, provided that  
24                   if the hedge or mitigation of such commer-  
25                   cial risk is addressed by entering into a

1 swap with a swap dealer or major swap  
2 participant, an appropriate credit support  
3 measure or other mechanism must be uti-  
4 lized.”.

5 (2) SECURITIES EXCHANGE ACT OF 1934  
6 AMENDMENT.—Section 3C(g)(4)(A) of the Securities  
7 Exchange Act of 1934 (15 U.S.C. 78c–3(g)(4)(A))  
8 is amended to read as follows:

9 “(A) IN GENERAL.—An affiliate of a per-  
10 son that qualifies for an exception under para-  
11 graph (1) (including affiliate entities predomi-  
12 nantly engaged in providing financing for the  
13 purchase of the merchandise or manufactured  
14 goods of the person) may qualify for the excep-  
15 tion only if the affiliate enters into the security-  
16 based swap to hedge or mitigate the commercial  
17 risk of the person or other affiliate of the per-  
18 son that is not a financial entity, provided that  
19 if the hedge or mitigation such commercial risk  
20 is addressed by entering into a security-based  
21 swap with a security-based swap dealer or  
22 major security-based swap participant, an ap-  
23 propriate credit support measure or other  
24 mechanism must be utilized.”.

1 (b) APPLICABILITY OF CREDIT SUPPORT MEASURE  
2 REQUIREMENT.—The requirements in section  
3 2(h)(7)(D)(i) of the Commodity Exchange Act and section  
4 3C(g)(4)(A) of the Securities Exchange Act of 1934, as  
5 amended by subsection (a), requiring that a credit support  
6 measure or other mechanism be utilized if the transfer of  
7 commercial risk referred to in such sections is addressed  
8 by entering into a swap with a swap dealer or major swap  
9 participant or a security-based swap with a security-based  
10 swap dealer or major security-based swap participant, as  
11 appropriate, shall not apply with respect to swaps or secu-  
12 rity-based swaps, as appropriate, entered into before the  
13 date of the enactment of this Act.

14 **TITLE III—HOLDING COMPANY**  
15 **REGISTRATION THRESHOLD**  
16 **EQUALIZATION ACT**

17 **SEC. 301. REGISTRATION THRESHOLD FOR SAVINGS AND**  
18 **LOAN HOLDING COMPANIES.**

19 The Securities Exchange Act of 1934 (15 U.S.C. 78a  
20 et seq.) is amended—

21 (1) in section 12(g)—

22 (A) in paragraph (1)(B), by inserting after  
23 “is a bank” the following: “, a savings and loan  
24 holding company (as defined in section 10 of  
25 the Home Owners’ Loan Act),”; and

1 (B) in paragraph (4), by inserting after  
 2 “case of a bank” the following: “, a savings and  
 3 loan holding company (as defined in section 10  
 4 of the Home Owners’ Loan Act),”; and

5 (2) in section 15(d), by striking “case of bank”  
 6 and inserting the following: “case of a bank, a sav-  
 7 ings and loan holding company (as defined in section  
 8 10 of the Home Owners’ Loan Act),”.

9 **TITLE IV—SMALL BUSINESS**  
 10 **MERGERS, ACQUISITIONS,**  
 11 **SALES, AND BROKERAGE SIM-**  
 12 **PLIFICATION ACT**

13 **SEC. 401. REGISTRATION EXEMPTION FOR MERGER AND**  
 14 **ACQUISITION BROKERS.**

15 Section 15(b) of the Securities Exchange Act of 1934  
 16 (15 U.S.C. 78o(b)) is amended by adding at the end the  
 17 following:

18 “(13) REGISTRATION EXEMPTION FOR MERGER  
 19 AND ACQUISITION BROKERS.—

20 “(A) IN GENERAL.—Except as provided in  
 21 subparagraph (B), an M&A broker shall be ex-  
 22 empt from registration under this section.

23 “(B) EXCLUDED ACTIVITIES.—An M&A  
 24 broker is not exempt from registration under

1 this paragraph if such broker does any of the  
2 following:

3 “(i) Directly or indirectly, in connec-  
4 tion with the transfer of ownership of an  
5 eligible privately held company, receives,  
6 holds, transmits, or has custody of the  
7 funds or securities to be exchanged by the  
8 parties to the transaction.

9 “(ii) Engages on behalf of an issuer in  
10 a public offering of any class of securities  
11 that is registered, or is required to be reg-  
12 istered, with the Commission under section  
13 12 or with respect to which the issuer files,  
14 or is required to file, periodic information,  
15 documents, and reports under subsection  
16 (d).

17 “(C) RULE OF CONSTRUCTION.—Nothing  
18 in this paragraph shall be construed to limit  
19 any other authority of the Commission to ex-  
20 empt any person, or any class of persons, from  
21 any provision of this title, or from any provision  
22 of any rule or regulation thereunder.

23 “(D) DEFINITIONS.—In this paragraph:

24 “(i) CONTROL.—The term ‘control’  
25 means the power, directly or indirectly, to

1 direct the management or policies of a  
2 company, whether through ownership of  
3 securities, by contract, or otherwise. There  
4 is a presumption of control for any person  
5 who—

6 “(I) is a director, general part-  
7 ner, member or manager of a limited  
8 liability company, or officer exercising  
9 executive responsibility (or has similar  
10 status or functions);

11 “(II) has the right to vote 20  
12 percent or more of a class of voting  
13 securities or the power to sell or direct  
14 the sale of 20 percent or more of a  
15 class of voting securities; or

16 “(III) in the case of a partner-  
17 ship or limited liability company, has  
18 the right to receive upon dissolution,  
19 or has contributed, 20 percent or  
20 more of the capital.

21 “(ii) ELIGIBLE PRIVATELY HELD  
22 COMPANY.—The term ‘eligible privately  
23 held company’ means a company that  
24 meets both of the following conditions:

1           “(I) The company does not have  
2 any class of securities registered, or  
3 required to be registered, with the  
4 Commission under section 12 or with  
5 respect to which the company files, or  
6 is required to file, periodic informa-  
7 tion, documents, and reports under  
8 subsection (d).

9           “(II) In the fiscal year ending  
10 immediately before the fiscal year in  
11 which the services of the M&A broker  
12 are initially engaged with respect to  
13 the securities transaction, the com-  
14 pany meets either or both of the fol-  
15 lowing conditions (determined in ac-  
16 cordance with the historical financial  
17 accounting records of the company):

18                   “(aa) The earnings of the  
19 company before interest, taxes,  
20 depreciation, and amortization  
21 are less than \$25,000,000.

22                   “(bb) The gross revenues of  
23 the company are less than  
24 \$250,000,000.

1           “(iii) M&A BROKER.—The term ‘M&A  
2 broker’ means a broker, and any person  
3 associated with a broker, engaged in the  
4 business of effecting securities transactions  
5 solely in connection with the transfer of  
6 ownership of an eligible privately held com-  
7 pany, regardless of whether the broker acts  
8 on behalf of a seller or buyer, through the  
9 purchase, sale, exchange, issuance, repur-  
10 chase, or redemption of, or a business com-  
11 bination involving, securities or assets of  
12 the eligible privately held company, if the  
13 broker reasonably believes that—

14           “(I) upon consummation of the  
15 transaction, any person acquiring se-  
16 curities or assets of the eligible pri-  
17 vately held company, acting alone or  
18 in concert, will control and, directly or  
19 indirectly, will be active in the man-  
20 agement of the eligible privately held  
21 company or the business conducted  
22 with the assets of the eligible privately  
23 held company; and

24           “(II) if any person is offered se-  
25 curities in exchange for securities or

1 assets of the eligible privately held  
2 company, such person will, prior to  
3 becoming legally bound to consum-  
4 mate the transaction, receive or have  
5 reasonable access to the most recent  
6 year-end balance sheet, income state-  
7 ment, statement of changes in finan-  
8 cial position, and statement of owner's  
9 equity of the issuer of the securities  
10 offered in exchange, and, if the finan-  
11 cial statements of the issuer are au-  
12 dited, the related report of the inde-  
13 pendent auditor, a balance sheet  
14 dated not more than 120 days before  
15 the date of the offer, and information  
16 pertaining to the management, busi-  
17 ness, results of operations for the pe-  
18 riod covered by the foregoing financial  
19 statements, and material loss contin-  
20 gencies of the issuer.

21 “(E) INFLATION ADJUSTMENT.—

22 “(i) IN GENERAL.—On the date that  
23 is 5 years after the date of the enactment  
24 of this paragraph, and every 5 years there-

1 after, each dollar amount in subparagraph  
2 (D)(ii)(II) shall be adjusted by—

3 “(I) dividing the annual value of  
4 the Employment Cost Index For  
5 Wages and Salaries, Private Industry  
6 Workers (or any successor index), as  
7 published by the Bureau of Labor  
8 Statistics, for the calendar year pre-  
9 ceeding the calendar year in which the  
10 adjustment is being made by the an-  
11 nual value of such index (or suc-  
12 cessor) for the calendar year ending  
13 December 31, 2014; and

14 “(II) multiplying such dollar  
15 amount by the quotient obtained  
16 under subclause (I).

17 “(ii) ROUNDING.—Each dollar  
18 amount determined under clause (i) shall  
19 be rounded to the nearest multiple of  
20 \$100,000.”.

21 **SEC. 402. EFFECTIVE DATE.**

22 This Act and any amendment made by this Act shall  
23 take effect on the date that is 90 days after the date of  
24 the enactment of this Act.

1 **TITLE V—SWAP DATA REPOSI-**  
2 **TORY AND CLEARINGHOUSE**  
3 **INDEMNIFICATION CORREC-**  
4 **TIONS**

5 **SEC. 501. REPEAL OF INDEMNIFICATION REQUIREMENTS.**

6 (a) DERIVATIVES CLEARING ORGANIZATIONS.—Sec-  
7 tion 5b(k)(5) of the Commodity Exchange Act (7 U.S.C.  
8 7a–1(k)(5)) is amended to read as follows:

9 “(5) CONFIDENTIALITY AGREEMENT.—Before  
10 the Commission may share information with any en-  
11 tity described in paragraph (4), the Commission  
12 shall receive a written agreement from each entity  
13 stating that the entity shall abide by the confiden-  
14 tiality requirements described in section 8 relating to  
15 the information on swap transactions that is pro-  
16 vided.”.

17 (b) SWAP DATA REPOSITORIES.—Section 21(d) of  
18 the Commodity Exchange Act (7 U.S.C. 24a(d)) is amend-  
19 ed to read as follows:

20 “(d) CONFIDENTIALITY AGREEMENT.—Before the  
21 swap data repository may share information with any enti-  
22 ty described in subsection (c)(7), the swap data repository  
23 shall receive a written agreement from each entity stating  
24 that the entity shall abide by the confidentiality require-

1 ments described in section 8 relating to the information  
2 on swap transactions that is provided.”.

3 (c) SECURITY-BASED SWAP DATA REPOSITORIES.—  
4 Section 13(n)(5)(H) of the Securities Exchange Act of  
5 1934 (15 U.S.C. 78m(n)(5)(H)) is amended to read as  
6 follows:

7 “(H) CONFIDENTIALITY AGREEMENT.—  
8 Before the security-based swap data repository  
9 may share information with any entity de-  
10 scribed in subparagraph (G), the security-based  
11 swap data repository shall receive a written  
12 agreement from each entity stating that the en-  
13 tity shall abide by the confidentiality require-  
14 ments described in section 24 relating to the in-  
15 formation on security-based swap transactions  
16 that is provided.”.

17 (d) EFFECTIVE DATE.—The amendments made by  
18 this Act shall take effect as if enacted as part of the Dodd-  
19 Frank Wall Street Reform and Consumer Protection Act  
20 (Public Law 111–203) on July 21, 2010.

1 **TITLE VI—IMPROVING ACCESS**  
2 **TO CAPITAL FOR EMERGING**  
3 **GROWTH COMPANIES ACT**

4 **SEC. 601. FILING REQUIREMENT FOR PUBLIC FILING**  
5 **PRIOR TO PUBLIC OFFERING.**

6 Section 6(e)(1) of the Securities Act of 1933 (15  
7 U.S.C. 77f(e)(1)) is amended by striking “21 days” and  
8 inserting “15 days”.

9 **SEC. 602. GRACE PERIOD FOR CHANGE OF STATUS OF**  
10 **EMERGING GROWTH COMPANIES.**

11 Section 6(e)(1) of the Securities Act of 1933 (15  
12 U.S.C. 77f(e)(1)) is further amended by adding at the end  
13 the following: “An issuer that was an emerging growth  
14 company at the time it submitted a confidential registra-  
15 tion statement or, in lieu thereof, a publicly filed registra-  
16 tion statement for review under this subsection but ceases  
17 to be an emerging growth company thereafter shall con-  
18 tinue to be treated as an emerging market growth com-  
19 pany for the purposes of this subsection through the ear-  
20 lier of the date on which the issuer consummates its initial  
21 public offering pursuant to such registrations statement  
22 or the end of the 1-year period beginning on the date the  
23 company ceases to be an emerging growth company.”.

1 **SEC. 603. SIMPLIFIED DISCLOSURE REQUIREMENTS FOR**  
2 **EMERGING GROWTH COMPANIES.**

3 Section 102 of the Jumpstart Our Business Startups  
4 Act (Public Law 112–106) is amended by adding at the  
5 end the following:

6 “(d) SIMPLIFIED DISCLOSURE REQUIREMENTS.—  
7 With respect to an emerging growth company (as such  
8 term is defined under section 2 of the Securities Act of  
9 1933):

10 “(1) REQUIREMENT TO INCLUDE NOTICE ON  
11 FORM S–1.—Not later than 30 days after the date  
12 of enactment of this subsection, the Securities and  
13 Exchange Commission shall revise its general in-  
14 structions on Form S–1 to indicate that a registra-  
15 tion statement filed (or submitted for confidential  
16 review) by an issuer prior to an initial public offer-  
17 ing may omit financial information for historical pe-  
18 riods otherwise required by regulation S–X (17 CFR  
19 210.1–01 et seq.) as of the time of filing (or con-  
20 fidential submission) of such registration statement,  
21 provided that—

22 “(A) the omitted financial information re-  
23 lates to a historical period that the issuer rea-  
24 sonably believes will not be required to be in-  
25 cluded in the Form S–1 at the time of the con-  
26 templated offering; and

1           “(B) prior to the issuer distributing a pre-  
2           liminary prospectus to investors, such registra-  
3           tion statement is amended to include all finan-  
4           cial information required by such regulation S-  
5           X at the date of such amendment.

6           “(2) RELIANCE BY ISSUERS.—Effective 30 days  
7           after the date of enactment of this subsection, an  
8           issuer filing a registration statement (or submitting  
9           the statement for confidential review) on Form S-  
10          1 may omit financial information for historical peri-  
11          ods otherwise required by regulation S-X (17 CFR  
12          210.1-01 et seq.) as of the time of filing (or con-  
13          fidential submission) of such registration statement,  
14          provided that—

15               “(A) the omitted financial information re-  
16               lates to a historical period that the issuer rea-  
17               sonably believes will not be required to be in-  
18               cluded in the Form S-1 at the time of the con-  
19               templated offering; and

20               “(B) prior to the issuer distributing a pre-  
21               liminary prospectus to investors, such registra-  
22               tion statement is amended to include all finan-  
23               cial information required by such regulation S-  
24               X at the date of such amendment.”.

1 **TITLE VII—SMALL COMPANY**  
2 **DISCLOSURE SIMPLIFICA-**  
3 **TION ACT**

4 **SEC. 701. EXEMPTION FROM XBRL REQUIREMENTS FOR**  
5 **EMERGING GROWTH COMPANIES AND OTHER**  
6 **SMALLER COMPANIES.**

7 (a) EXEMPTION FOR EMERGING GROWTH COMPA-  
8 NIES.—Emerging growth companies are exempted from  
9 the requirements to use Extensible Business Reporting  
10 Language (XBRL) for financial statements and other  
11 periodic reporting required to be filed with the Commis-  
12 sion under the securities laws. Such companies may elect  
13 to use XBRL for such reporting.

14 (b) EXEMPTION FOR OTHER SMALLER COMPA-  
15 NIES.—Issuers with total annual gross revenues of less  
16 than \$250,000,000 are exempt from the requirements to  
17 use XBRL for financial statements and other periodic re-  
18 porting required to be filed with the Commission under  
19 the securities laws. Such issuers may elect to use XBRL  
20 for such reporting. An exemption under this subsection  
21 shall continue in effect until—

22 (1) the date that is 5 years after the date of en-  
23 actment of this Act; or

24 (2) the date that is 2 years after a determina-  
25 tion by the Commission, by order after conducting

1 the analysis required by section 702, that the bene-  
2 fits of such requirements to such issuers outweigh  
3 the costs, but no earlier than 3 years after enact-  
4 ment of this Act.

5 (c) MODIFICATIONS TO REGULATIONS.—Not later  
6 than 60 days after the date of enactment of this Act, the  
7 Commission shall revise its regulations under parts 229,  
8 230, 232, 239, 240, and 249 of title 17, Code of Federal  
9 Regulations, to reflect the exemptions set forth in sub-  
10 sections (a) and (b).

11 **SEC. 702. ANALYSIS BY THE SEC.**

12 The Commission shall conduct an analysis of the  
13 costs and benefits to issuers described in section 701(b)  
14 of the requirements to use XBRL for financial statements  
15 and other periodic reporting required to be filed with the  
16 Commission under the securities laws. Such analysis shall  
17 include an assessment of—

18 (1) how such costs and benefits may differ from  
19 the costs and benefits identified by the Commission  
20 in the order relating to interactive data to improve  
21 financial reporting (dated January 30, 2009; 74  
22 Fed. Reg. 6776) because of the size of such issuers;

23 (2) the effects on efficiency, competition, capital  
24 formation, and financing and on analyst coverage of

1 such issuers (including any such effects resulting  
2 from use of XBRL by investors);

3 (3) the costs to such issuers of—

4 (A) submitting data to the Commission in  
5 XBRL;

6 (B) posting data on the website of the  
7 issuer in XBRL;

8 (C) software necessary to prepare, submit,  
9 or post data in XBRL; and

10 (D) any additional consulting services or  
11 filing agent services;

12 (4) the benefits to the Commission in terms of  
13 improved ability to monitor securities markets, as-  
14 sess the potential outcomes of regulatory alter-  
15 natives, and enhance investor participation in cor-  
16 porate governance and promote capital formation;  
17 and

18 (5) the effectiveness of standards in the United  
19 States for interactive filing data relative to the  
20 standards of international counterparts.

21 **SEC. 703. REPORT TO CONGRESS.**

22 Not later than 1 year after the date of enactment  
23 of this Act, the Commission shall provide the Committee  
24 on Financial Services of the House of Representatives and

1 the Committee on Banking, Housing, and Urban Affairs  
2 of the Senate a report regarding—

3 (1) the progress in implementing XBRL report-  
4 ing within the Commission;

5 (2) the use of XBRL data by Commission offi-  
6 cials;

7 (3) the use of XBRL data by investors;

8 (4) the results of the analysis required by sec-  
9 tion 702; and

10 (5) any additional information the Commission  
11 considers relevant for increasing transparency, de-  
12 creasing costs, and increasing efficiency of regu-  
13 latory filings with the Commission.

14 **SEC. 704. DEFINITIONS.**

15 As used in this title, the terms “Commission”,  
16 “emerging growth company”, “issuer”, and “securities  
17 laws” have the meanings given such terms in section 3  
18 of the Securities Exchange Act of 1934 (15 U.S.C. 78e).

19 **TITLE VIII—RESTORING PROVEN**  
20 **FINANCING FOR AMERICAN**  
21 **EMPLOYERS ACT**

22 **SEC. 801. RULES OF CONSTRUCTION RELATING TO**  
23 **COLLATERALIZED LOAN OBLIGATIONS.**

24 Section 13(c)(2) of the Bank Holding Company Act  
25 of 1956 (12 U.S.C. 1851(c)(2)) is amended—

1           (1) by striking “A banking entity or nonbank  
2 financial company supervised by the Board” and in-  
3 serting the following:

4           “(A) GENERAL CONFORMANCE PERIOD.—

5           A banking entity or nonbank financial company  
6 supervised by the Board”; and

7           (2) by adding at the end the following:

8           “(B) CONFORMANCE PERIOD FOR CERTAIN  
9 COLLATERALIZED LOAN OBLIGATIONS.—

10           “(i) IN GENERAL.—Notwithstanding  
11 subparagraph (A), a banking entity or  
12 nonbank financial company supervised by  
13 the Board shall bring its activities related  
14 to or investments in a debt security of a  
15 collateralized loan obligation issued before  
16 January 31, 2014, into compliance with  
17 the requirements of subsection (a)(1)(B)  
18 and any applicable rules relating to sub-  
19 section (a)(1)(B) not later than July 21,  
20 2019.

21           “(ii) COLLATERALIZED LOAN OBLIGA-  
22 TION.—For purposes of this subparagraph,  
23 the term ‘collateralized loan obligation’  
24 means any issuing entity of an asset-  
25 backed security, as defined in section

1                   3(a)(77) of the Securities Exchange Act of  
2                   1934 (15 U.S.C. 78c(a)(77)), that is com-  
3                   prised primarily of commercial loans.”.

4                   **TITLE IX—SBIC ADVISERS**  
5                   **RELIEF ACT**

6   **SEC. 901. ADVISERS OF SBICS AND VENTURE CAPITAL**  
7                   **FUNDS.**

8                   Section 203(l) of the Investment Advisers Act of  
9   1940 (15 U.S.C. 80b–3(l)) is amended—

10                  (1) by striking “No investment adviser” and in-  
11                  serting the following:

12                  “(1) IN GENERAL.—No investment adviser”;  
13                  and

14                  (2) by adding at the end the following:

15                  “(2) ADVISERS OF SBICS.—For purposes of this  
16                  subsection, a venture capital fund includes an entity  
17                  described in subparagraph (A), (B), or (C) of sub-  
18                  section (b)(7) (other than an entity that has elected  
19                  to be regulated or is regulated as a business develop-  
20                  ment company pursuant to section 54 of the Invest-  
21                  ment Company Act of 1940).”.

22   **SEC. 902. ADVISERS OF SBICS AND PRIVATE FUNDS.**

23                  Section 203(m) of the Investment Advisers Act of  
24   1940 (15 U.S.C. 80b–3(m)) is amended by adding at the  
25   end the following:

1           “(3) ADVISERS OF SBICS.—For purposes of this  
2 subsection, the assets under management of a pri-  
3 vate fund that is an entity described in subpara-  
4 graph (A), (B), or (C) of subsection (b)(7) (other  
5 than an entity that has elected to be regulated or is  
6 regulated as a business development company pursu-  
7 ant to section 54 of the Investment Company Act of  
8 1940) shall be excluded from the limit set forth in  
9 paragraph (1).”.

10 **SEC. 903. RELATIONSHIP TO STATE LAW.**

11           Section 203A(b)(1) of the Investment Advisers Act  
12 of 1940 (15 U.S.C. 80b–3a(b)(1)) is amended—

13           (1) in subparagraph (A), by striking “or” at  
14 the end;

15           (2) in subparagraph (B), by striking the period  
16 at the end and inserting “; or”; and

17           (3) by adding at the end the following:

18           “(C) that is not registered under section  
19 203 because that person is exempt from reg-  
20 istration as provided in subsection (b)(7) of  
21 such section, or is a supervised person of such  
22 person.”.

1 **TITLE X—DISCLOSURE MOD-**  
2 **ERNIZATION AND SIM-**  
3 **PLIFICATION ACT**

4 **SEC. 1001. SUMMARY PAGE FOR FORM 10-K.**

5 Not later than the end of the 180-day period begin-  
6 ning on the date of the enactment of this Act, the Securi-  
7 ties and Exchange Commission shall issue regulations to  
8 permit issuers to submit a summary page on form 10-  
9 K (17 CFR 249.310), but only if each item on such sum-  
10 mary page includes a cross-reference (by electronic link  
11 or otherwise) to the material contained in form 10-K to  
12 which such item relates.

13 **SEC. 1002. IMPROVEMENT OF REGULATION S-K.**

14 Not later than the end of the 180-day period begin-  
15 ning on the date of the enactment of this Act, the Securi-  
16 ties and Exchange Commission shall take all such actions  
17 to revise regulation S-K (17 CFR 229.10 et seq.)—

18 (1) to further scale or eliminate requirements of  
19 regulation S-K, in order to reduce the burden on  
20 emerging growth companies, accelerated filers,  
21 smaller reporting companies, and other smaller  
22 issuers, while still providing all material information  
23 to investors;



1 aging repetition and the disclosure of immaterial in-  
2 formation.

3 (b) CONSULTATION.—In conducting the study re-  
4 quired under subsection (a), the Commission shall consult  
5 with the Investor Advisory Committee and the Advisory  
6 Committee on Small and Emerging Companies.

7 (c) REPORT.—Not later than the end of the 360-day  
8 period beginning on the date of enactment of this Act, the  
9 Commission shall issue a report to the Congress con-  
10 taining—

11 (1) all findings and determinations made in car-  
12 rying out the study required under subsection (a);

13 (2) specific and detailed recommendations on  
14 modernizing and simplifying the requirements in  
15 regulation S–K in a manner that reduces the costs  
16 and burdens on companies while still providing all  
17 material information; and

18 (3) specific and detailed recommendations on  
19 ways to improve the readability and navigability of  
20 disclosure documents and to discourage repetition  
21 and the disclosure of immaterial information.

22 (d) RULEMAKING.—Not later than the end of the  
23 360-day period beginning on the date that the report is  
24 issued to the Congress under subsection (c), the Commis-

1 sion shall issue a proposed rule to implement the rec-  
2 ommendations of the report issued under subsection (c).

3 (e) **RULE OF CONSTRUCTION.**—Revisions made to  
4 regulation S–K by the Commission under section 1002  
5 shall not be construed as satisfying the rulemaking re-  
6 quirements under this section.

## 7 **TITLE XI—ENCOURAGING** 8 **EMPLOYEE OWNERSHIP ACT**

9 **SEC. 1101. INCREASED THRESHOLD FOR DISCLOSURES RE-**  
10 **LATING TO COMPENSATORY BENEFIT PLANS.**

11 Not later than 60 days after the date of the enact-  
12 ment of this Act, the Securities and Exchange Commission  
13 shall revise section 230.701(e) of title 17, Code of Federal  
14 Regulations, so as to increase from \$5,000,000 to  
15 \$10,000,000 the aggregate sales price or amount of secu-  
16 rities sold during any consecutive 12-month period in ex-  
17 cess of which the issuer is required under such section to  
18 deliver an additional disclosure to investors. The Commis-  
19 sion shall index for inflation such aggregate sales price  
20 or amount every 5 years to reflect the change in the Con-  
21 sumer Price Index for All Urban Consumers published by

- 1 the Bureau of Labor Statistics, rounding to the nearest
- 2 \$1,000,000.

Passed the House of Representatives January 14,  
2015.

Attest:

*Clerk.*

114<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

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# H. R. 37

## AN ACT

To make technical corrections to the Dodd-Frank Wall Street Reform and Consumer Protection Act, to enhance the ability of small and emerging growth companies to access capital through public and private markets, to reduce regulatory burdens, and for other purposes.