

116TH CONGRESS
1ST SESSION

S. 1502

To amend the Securities Exchange Act of 1934 to revise the shareholder threshold for registration under that Act for issuers that receive support through certain Federal universal service support mechanisms, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 16, 2019

Ms. BALDWIN (for herself, Ms. ERNST, Mr. CRAMER, and Ms. SINEMA) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend the Securities Exchange Act of 1934 to revise the shareholder threshold for registration under that Act for issuers that receive support through certain Federal universal service support mechanisms, 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 “Access to Capital Cre-
5 ates Economic Strength and Supports Rural America
6 Act” or the “ACCESS Rural America Act”.

1 **SEC. 2. SHAREHOLDER THRESHOLD FOR REGISTRATION**
2 **OF CERTAIN ISSUERS.**

3 Section 12(g) of the Securities Exchange Act of 1934
4 (15 U.S.C. 78l(g)) is amended—

5 (1) in paragraph (1)—

6 (A) in subparagraph (A)(ii), by striking
7 “and” at the end;

8 (B) in subparagraph (B), by adding “and”
9 at the end;

10 (C) by inserting after subparagraph (B)
11 the following:

12 “(C) in the case of an issuer that, during its
13 previous fiscal year, received support, directly or
14 through an affiliate, through any Federal universal
15 service support mechanism established under section
16 254 of the Communications Act of 1934 (47 U.S.C.
17 254) and filed the report described in paragraph (7)
18 with respect to such fiscal year, not later than 120
19 days after the last day of its first fiscal year ended
20 after the date of enactment of this subparagraph, on
21 which the issuer has total assets exceeding
22 \$10,000,000 and a class of equity security (other
23 than an exempted security) held of record by ei-
24 ther—

25 “(i) 2,000 persons, or

1 “(ii) 1,250 persons who are not accredited
2 investors,”; and

3 (D) in the flush text following subpara-
4 graph (C), as added by subparagraph (C) of
5 this paragraph, by adding at the end the fol-
6 lowing: “The dollar figures in subparagraph (C)
7 shall be indexed for inflation every 5 years by
8 the Commission to reflect the change in the
9 Consumer Price Index for All Urban Con-
10 sumers published by the Bureau of Labor Sta-
11 tistics, rounded to the nearest \$100,000.”; and
12 (2) by adding at the end the following:

13 “(7) REPORT BY UNIVERSAL SERVICE SUPPORT
14 MECHANISM RECIPIENTS.—

15 “(A) IN GENERAL.—The Commission shall
16 issue regulations to establish a financial summary
17 form that may be filed by an issuer that—

18 “(i) during its previous fiscal year, received
19 support, directly or through an affiliate,
20 through any Federal universal service support
21 mechanism established under section 254 of the
22 Communications Act of 1934 (47 U.S.C. 254);
23 and

24 “(ii) has a class of equity security held of
25 record by 500 or more persons who are not ac-

1 credited investors, but fewer than 1,250 persons
2 who are not accredited investors.

3 “(B) CONTENTS.—The form described in sub-
4 paragraph (A) shall include a summary of the con-
5 solidated balance sheet and the consolidated income
6 statement of the issuer and such other information
7 as the Commission determines is necessary and ap-
8 propriate in the public interest and for the protec-
9 tion of investors.”.

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