

115TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

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.

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IN THE SENATE OF THE UNITED STATES

Ms. BALDWIN introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**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.”.

10 **SEC. 3. SEC STUDY.**

11 (a) STUDY.—Not later than 3 years after the date  
12 of enactment of this Act, the Securities and Exchange  
13 Commission shall carry out a study on—

14 (1) the effect of the amendments made by sec-  
15 tion 2; and

16 (2) to what extent the amendments described in  
17 paragraph (1) have improved capital formation by  
18 the issuers described in subparagraph (C) of section  
19 12(g)(1) of the Securities Exchange Act of 1934 (15  
20 U.S.C. 78l(g)(1)), as added by section 2(1)(C) of  
21 this Act.

22 (b) REPORT.—Not later than 180 days after the date  
23 that is 3 years after the date of enactment of this Act,  
24 the Securities and Exchange Commission shall submit to  
25 Congress a report that contains—

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

4           (2) a recommendation regarding whether  
5           issuers in other sectors of the economy could benefit  
6           from the type of changes made by the amendments  
7           described in subsection (a)(1).