

118TH CONGRESS
1ST SESSION

H. R. 2603

To require the Securities and Exchange Commission to revise certain thresholds related to smaller reporting companies, accelerated filers, and large accelerated filers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 13, 2023

Mr. LUETKEMEYER introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To require the Securities and Exchange Commission to revise certain thresholds related to smaller reporting companies, accelerated filers, and large accelerated filers, 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. SMALLER REPORTING COMPANY, ACCELER-**
4 **ATED FILER, AND LARGE ACCELERATED**
5 **FILER THRESHOLDS.**

6 (a) SMALLER REPORTING COMPANIES.—

7 (1) IN GENERAL.—The Securities and Ex-
8 change Commission shall revise the definition of a

1 “smaller reporting company” under section
2 229.10(f)(1) of title 17, Code of Federal Regula-
3 tions—

4 (A) in paragraph (i), by adjusting the pub-
5 lic float threshold from \$250,000,000 to
6 \$500,000,000; and

7 (B) in paragraph (ii)—

8 (i) by adjusting the annual revenue
9 threshold from \$100,000,000 to
10 \$250,000,000; and

11 (ii) in paragraph (B), by adjusting the
12 public float threshold from \$700,000,000
13 to \$900,000,000.

14 (2) USE OF THREE-YEAR ROLLING AVERAGE
15 REVENUES.—The Securities and Exchange Commis-
16 sion shall revise paragraphs (1)(ii) and (2)(iii)(B)
17 under the definition of “smaller reporting company”
18 under section 229.10(f)(1) of title 17, Code of Fed-
19 eral Regulations, by substituting “three-year rolling
20 average revenues” for “annual revenues”.

21 (3) CONFORMING CHANGES.—The Securities
22 and Exchange Commission shall revise the definition
23 of a “smaller reporting company” under sections
24 230.405 and 240.12b-2 of title 17, Code of Federal
25 Regulations, and any other rule of the Commission

1 in the same manner as such definition is revised
2 under paragraphs (1) and (2).

3 (b) ACCELERATED FILERS AND LARGE ACCELER-
4 ATED FILERS.—

5 (1) LARGE ACCELERATED FILER.—The Securi-
6 ties and Exchange Commission shall revise the defi-
7 nition of a “large accelerated filer” under section
8 240.12b–2(2) of title 17, Code of Federal Regula-
9 tions, to increase the threshold amount (for the ag-
10 gregate worldwide market value of the voting and
11 non-voting common equity held by non-affiliates of
12 an issuer) from \$700,000,000 to \$750,000,000.

13 (2) THRESHOLD TO EXIT ACCELERATED FILER
14 STATUS.—The Securities and Exchange Commission
15 shall revise section 240.12b–2(3)(ii) of title 17, Code
16 of Federal Regulations, to increase the threshold
17 amount (for the aggregate worldwide market value
18 of the voting and non-voting common equity held by
19 non-affiliates of an issuer) at which an issuer is no
20 longer an accelerated filer from \$60,000,000 to
21 \$75,000,000.

22 (3) THRESHOLD TO EXIT LARGE ACCELERATED
23 FILER STATUS.—The Securities and Exchange Com-
24 mission shall revise section 240.12b–2(3)(iii) of title
25 17, Code of Federal Regulations, to increase the

1 threshold amount (for the aggregate worldwide mar-
2 ket value of the voting and non-voting common eq-
3 uity held by non-affiliates of an issuer) at which an
4 issuer is no longer a large accelerated filer from
5 \$560,000,000 to \$750,000,000.

6 (4) EXCLUSION OF SMALLER REPORTING COM-
7 PANIES.—The Securities and Exchange Commission
8 shall revise the definitions of an “accelerated filer”
9 and a “large accelerated filer” under paragraphs (1)
10 and (2) of section 240.12b–2 of title 17, Code of
11 Federal Regulations, respectively, to exclude any
12 issuer that is a smaller reporting company, as de-
13 fined under section 229.10(f)(1) of title 17, Code of
14 Federal Regulations.

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