

engage in every day. What it says, though, is that for those who serve in harm's way and who lose their lives, that we value their service as well.

And very similar to members of the Armed Forces, members of the Federal civilian workforce often risk their lives to carry out official duties critical to the Federal Government's foreign and domestic missions. OPM reports that more than 3,000 Federal employees have been killed in the line of duty since 1992.

In 2008, as the gentleman from Virginia mentioned, an FBI special agent was tragically shot and killed during a joint DEA, FBI, and local police department raid. This special agent began his law enforcement career with the Ocean City, Maryland, Police Department and later served with the Baltimore, Maryland, Police Department. Another brave Marylander, a DEA special agent who graduated from the University of Maryland, was killed in 2009 when the U.S. military helicopter he was in crashed while returning from a joint counternarcotics mission in western Afghanistan.

I want to recognize the dedication of these civil servants. This is a long-overdue recognition to the 146,000 Federal employees living in Maryland's Fourth Congressional District, many of whom place their lives on the line every day. I know that when I had the privilege of joining our servicemembers and our civilians in Afghanistan, I found many employed with the Department of Agriculture, Homeland Security, the IRS—virtually every agency of the United States serving in that dangerous and hostile theater.

Mr. Speaker, I want to thank Congressman HANNA and the chair and ranking member of the Oversight and Government Reform Committee for their work on this bill. I commend passage of this legislation and urge all my colleagues to vote in favor of H.R. 2061, the Civilian Service Recognition Act.

Mr. CUMMINGS. Mr. Speaker, in closing, I just wanted to let the gentleman know that he mentioned that there had been an increase in Federal employees. There have been increases in DOD, DHS, and VA, but all the other agencies over the 10 years have been decreasing.

With that, Mr. Speaker, I would urge passage of this legislation, and I yield back the balance of my time.

Mr. CHAFFETZ. Mr. Speaker, I yield myself such time as I may consume.

While the gentleman from Maryland and I may disagree on the statistics of the number of Federal employees, I think we can be united in supporting this bill, H.R. 2061.

There are so many good people who are doing the right thing, they're working hard, they're patriotic, and somehow, some way, unfortunately they pay the ultimate sacrifice.

We simply urge our colleagues on both sides of the aisle to pass this. It may seem trivial to some, but I guarantee you that to the families who

have suffered a loss of such consequence, of such magnitude, a flag presented from the United States of America is appropriate, it's something we should do. I congratulate Mr. HANNA for bringing this bill forward, and I encourage all of my colleagues to pass it.

Mr. Speaker, I yield back the balance of my time.

Mr. HANNA. Mr. Speaker, I rise today in proud support of H.R. 2061, the Civilian Service Recognition Act of 2011.

First, I need to thank several of my colleagues for their help in bringing this bill to the floor:

My friend and colleague to the south—and—the original co-sponsor of this bill: MAURICE HINCHEY.

My neighbor in the Cannon House Office Building and someone who's been supportive of this effort from the beginning: DONNA EDWARDS, representative from Maryland.

Oversight and Government Reform Committee Chairman DARRELL ISSA and Ranking Member ELIJAH CUMMINGS for their support of this bill.

The entire staff of the Oversight and Government Reform Committee for its work on this bill.

Mr. Speaker, I need to thank the people who prompted the introduction of this bill: Grant Reeher and Terry Newell.

These gentlemen penned a joint opinion-editorial in The Syracuse Post-Standard, suggesting legislation be introduced to honor civil servants who are killed in the line of duty.

Mr. Speaker, this bill is simple. If a civilian federal employee is killed on the job as a result of a criminal act, terrorism, natural disaster, or an extraordinary event as determined by the President, their next of kin would be authorized to receive a United States flag.

The Congressional Budget Office reports that this bill would have "no significant effect on the federal budget."

Mr. Speaker, since 1992, almost 3,000 civilian federal workers have been killed while on duty, both in places like Iraq, Afghanistan, and Haiti—but also in places like Oklahoma City, and Austin, Texas.

This legislation is widely supported by a wide array of groups and individuals including civil service organizations, former Homeland Security Secretary Michael Chertoff, and the American Legion.

I would note for the record that the American Legion raised some concerns about the language of the bill. I personally very much appreciated the input. My office, as well as Committee staff, worked with the Legion to not only listen to its concerns, but act on them.

In the end we made this bill better. Mindful of the real differences between military and civilian service, but acceptable to all parties involved.

Legislative language aside—the spirit of this bill—and the original intent of this bill—is simple: If a federal civilian employee is killed in the line of duty whether at home or abroad, their life will be honored by this nation. Their family will be presented a flag on behalf of the United States of America.

More than 2 million federal civilian employees work within our country and in countless overseas posts, many of them in dangerous jobs at Customs and Border Protection or the FBI, just to name a couple of examples.

This is a modest, but significant benefit in honor of these dedicated individuals who sacrificed on our behalf.

Until the September 11th attacks, the largest terrorism attack on American soil took place in 1995—the Oklahoma City bombing. Employees showed up at the federal building that day—like so many before—to go to work. To fulfill their oath of service to the U.S. Government.

Ours is a grateful nation, one that values the sacrifices made in honor of this country.

A life can never be repaid, but it can be honored.

Mr. Speaker, I urge all of my colleagues to join me in supporting H.R. 2061.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. CHAFFETZ) that the House suspend the rules and pass the bill, H.R. 2061, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. CUMMINGS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

□ 1250

INCREASING SHAREHOLDER THRESHOLD FOR SEC REGISTRATION

Mr. SCHWEIKERT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1965) to amend the securities laws to establish certain thresholds for shareholder registration, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1965

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHAREHOLDER REGISTRATION THRESHOLD.

(a) AMENDMENTS TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934.—Section 12(g) of the Securities Exchange Act of 1934 (15 U.S.C. 78l (g)) is amended—

(1) in paragraph (1)—

(A) by striking "\$1,000,000" both places it appears and inserting "\$10,000,000";

(B) in subparagraph (A), by striking "and" and inserting a semicolon;

(C) in subparagraph (B), by striking the comma at the end and inserting "and"; and

(D) by inserting after subparagraph (B) the following:

“(C) in the case of an issuer that is a bank, as such term is defined in section 3(a)(6) of this title, or a bank holding company, as such term is defined in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841), not later than 120 days after the last day of its first fiscal year ended after the effective date of this subsection, on which the issuer has total assets exceeding \$10,000,000 and a class of equity security (other than an exempted security) held of record by 2,000 or more persons;” and

(2) in paragraph (4), by striking “three hundred” and inserting “300 persons, or, in the case of a bank, as such term is defined in section 3(a)(6), or a bank holding company, as such term is defined in section (2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841), 1,200”.

(b) AMENDMENTS TO SECTION 15 OF THE SECURITIES EXCHANGE ACT OF 1934.—Section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(d)) is amended, in the third sentence, by striking “three hundred” and inserting “300 persons, or, in the case of bank, as such term is defined in section 3(a)(6), or a bank holding company, as such term is defined in section (2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841, 1,200”.

SEC. 2. STUDY AND REPORT ON REGISTRATION THRESHOLDS.

(a) STUDY.—

(1) ANALYSIS REQUIRED.—The Chief Economist and Director of the Division of Corporation Finance of the Commission shall jointly conduct a study, including a cost-benefit analysis, of shareholder registration thresholds.

(2) COSTS AND BENEFITS.—The cost-benefit analysis under paragraph (1) shall take into account—

(A) the incremental costs and benefits to investors of the increased disclosure that results from registration;

(B) the incremental costs and benefits to issuers associated with registration and reporting requirements; and

(C) the incremental administrative costs to the Commission associated with different thresholds.

(3) THRESHOLDS.—The cost-benefit analysis under paragraph (1) shall evaluate whether it is advisable to—

(A) increase the asset threshold;

(B) index the asset threshold to a measure of inflation;

(C) increase the shareholder threshold;

(D) change the shareholder threshold to be based on the number of beneficial owners; and

(E) create new thresholds based on other criteria.

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the Chief Economist and the Director of the Division of Corporation Finance of the Commission shall jointly submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report that includes—

(1) the findings of the study required under subsection (a); and

(2) recommendations for statutory changes to improve the shareholder registration thresholds.

SEC. 3. RULEMAKING.

Not later than one year after the date of enactment of this Act, the Commission shall issue final regulations to implement this Act and the amendments made by this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona (Mr. SCHWEIKERT) and the gentleman from Connecticut (Mr. HIMES) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona.

GENERAL LEAVE

Mr. SCHWEIKERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to add extraneous material on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. SCHWEIKERT. I reserve the balance of my time.

Mr. HIMES. Mr. Speaker, I yield myself such time as I may consume.

If we've learned one thing in the last 5 years, it is that the body of financial regulation which keeps us, as a people, safe must not be static, must not be dead, but, rather, a living thing that evolves and changes, not just to make sure that innovations and new products and new businesses don't get us into the kinds of troubles that we've experienced in the last 5 years, but also to make sure that the financial services industry remains entrepreneurial, that people who want to start small banks, small asset managers, small businesses of any kind have an opportunity to get started, to raise capital and to do well.

The securities laws that were established in 1933 and 1934 need to evolve and adapt to reflect the conditions in today's market. This is why I've introduced H.R. 1965. This bill would allow banks and bank holding companies to remain private to a point at which they believe it is in their interest to go public, undertake the fairly lengthy and complicated process of public registration at a moment when it makes sense for them to go into the public markets.

The original securities laws stipulated that banks would have to register with the SEC when they had more than 500 shareholders. Our small banks, our community banks experience difficulties because as original investors move on or pass on and leave shares to their beneficiaries, very rapidly banks reach that 500 shareholder number and are required to undertake the very complicated, up-front processes, but also the ongoing reporting requirements associated with public registration.

H.R. 1965 would very simply raise that threshold from 500 shareholders to 2,000 shareholders, again allowing these small banks to pick the optimal moment at which they go public, to allow them to continue to raise money in the private markets from private investors until such point that it makes sense for them to register and go public.

Now, it might be asked, is this prudent? And the answer to that question, of course, is that the banks and the bank holding companies are very heavily regulated by their prudential regulators. From the moment they are chartered, they are overseen by State and Federal entities that are designed to keep them from any sort of fraud from imprudent activities, and so this is an industry that is already heavily regulated, even for these companies who remain private.

I'd like to note that this bill provides relief to small banks by recognizing that unique characteristic, that they are regulated, and that they should continue to have access to the capital sources that got them started until they choose to go public.

I will note that this bill passed with broad bipartisan support in both subcommittee and committee, and I'd like to close my statement by thanking Chairman BACHUS and Ranking Member FRANK, as well as subcommittee Chair GARRETT and Ranking Member

WATERS, for their hard work and cooperation in putting this bill together.

With that, I yield 4 minutes to the minority whip, Mr. HOYER of Maryland.

Mr. HOYER. I thank the gentleman for yielding, and I congratulate him for his leadership on this effort.

I thank my friend, Chairman BACHUS, for his facilitating the passage of this legislation.

Community banks, Mr. Speaker, are the life blood of our local economies. They are locally owned and operated. They know their local businesses and residents intimately, and lend to them, not just because it's a sound business decision, but also because it benefits the greater community.

With the credit and lending crisis we have experienced over the past couple of years, the small banks that operate in our local communities face numerous challenges just to stay afloat. These are the banks we need to see lending to small businesses and homeowners, but they are hamstrung in their attempt to raise capital by outdated SEC registration requirements. This one is over half a century old.

Under the nearly 50-year-old 500 investor exemption rule, banks have to register with the SEC if they have more than 500 shareholders. The gentleman from Connecticut (Mr. HIMES), whose bill this is, explained why that is difficult and why it changes as people who have stock die and leave their stock to more people and to heirs. Banks that have exceeded this low threshold must provide extensive and costly financial disclosure under our Federal securities laws.

Now, over the years, we have upped the threshold in terms of dollars that the bank assets have, but we have not affected the number of shareholders. To reverse this registration, they are then forced to lower their number of shareholders by buying back stock which, all too often, means losing local shareholders who keep these banks connected with their local communities.

The rationale behind SEC registration rules generally is to provide effective and timely disclosure to protect investors, which of course all of us support. However, as Maryland's Banking Supervisor Mark Kaufman notes, the current rule adds to banks' cost with little associated benefits, especially considering that, unlike most private companies, banks file public disclosure already on a quarterly basis and do so on a more timely basis than public companies, as the gentleman from Connecticut pointed out in his remarks.

□ 1300

The American Bankers Association, the Independent Bankers Community Bankers of America, State groups like the Maryland Bankers Association and small banks throughout Maryland and the Nation support raising this threshold to 2,000, which is what this bipartisan legislation would do. This will lift a significant regulatory burden on

our community banks without any off-setting price in regulatory oversight and make it easier for them to raise capital so they can continue to lend and support job growth in our communities.

I strongly urge my colleagues on both sides of the aisle to support H.R. 1965.

I note that my friend from Arkansas (Mr. WOMACK) is also on the floor. I want to thank him for his leadership in this effort as well.

Mr. HIMES. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan (Mr. PETERS) be designated to control the balance of my time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The SPEAKER pro tempore. Without objection, the gentleman from Alabama will control the 20 minutes for the majority.

There was no objection.

Mr. BACHUS. Thank you, Mr. Speaker.

At this time I would like to yield 2 minutes to the gentleman from Arkansas (Mr. WOMACK), an original cosponsor of the legislation.

Mr. WOMACK. I thank the distinguished chairman for the time this afternoon, and I'd also like to offer my thanks and appreciation to my friend from Connecticut for his leadership on the issue. I am indeed an original cosponsor.

The unemployment rate in our Nation is still in excess of 9 percent. Millions of Americans are out of work. I just recently came back from my district where we had a job fair, and of the 300 or 400 jobs that were allegedly available on that particular day, there were several times more than that looking. It is a painful reminder to me that job creation is still critical to our country.

I'm also reminded as to how important it is that this job creation is linked to access to capital by businesses large and small. The slow pace of the recovery, the burdens of archaic and oftentimes unnecessary regulation have fallen disproportionately on small businesses, and particularly community banks.

As was commented on just a moment ago by the distinguished minority whip, the community banks are the lifeblood of our communities. They help a family purchase a home. They allow that mechanic the necessary capital to open his first shop. They help a chef open her first restaurant. Small businesses rely on these banks to give them a chance, a chance to take advantage of the American Dream.

Today, this Chamber has the opportunity to make it easier for community banks and small businesses to operate by removing a barrier to raising capital. So today we have the opportunity to pass H.R. 1965, and I strongly encourage my colleagues to support it.

Your support will result in the fact that community banks will have the flexibility they need to raise capital without having to comply with onerous SEC regulations intended for larger banks. They will use this money in my district, the Third District of Arkansas, to create jobs, and that will be good for my district, it will be good for our State, and it will be good for America.

Again, my thanks for the time given to me by leadership and to my friend from Connecticut, and I strongly encourage support of H.R. 1965.

Mr. PETERS. I reserve the balance of my time.

Mr. BACHUS. Mr. Speaker, at this time I would like to yield 1½ minutes to the subcommittee chair, Mrs. CAPITO from West Virginia, to speak in favor of the bill.

Mrs. CAPITO. I thank the chairman of the committee, for recognizing me.

I would like to speak in support of the gentleman from Connecticut's legislation, H.R. 1965, which would amend the securities law to establish certain thresholds for shareholder registration.

We all recognize that capital is tight for lenders and for businesses, and this bill, along with several others that were passed out of the Financial Services Committee, will address the issue of capital formation and allow institutions much needed resources to stimulate our economy. More capital equals more jobs, equals more people back to work, equals a growing economy.

Cost of public companies to register with the SEC can be very, very burdensome, and this cost is augmented when it's applied to smaller institutions. They don't have the resources to be able to meet the demands that larger companies do. So this bill would allow banks and bank holding companies access to more capital for that very precious and much needed impetus of job creation.

By raising the threshold from 500 to 2,000, it would permit easier deregistration, and the expenses that are tied up with registering would then go to stimulating our economy. More lending, more lending for a florist, a restaurant. I noticed in Charleston, a long-time restaurant that had been out of business was reopened under new ownership just this morning. And that's good news, and that's the kind of capital that small businesses need to be able to create jobs and stimulate the economy.

I believe this is a good piece of legislation whose effect on the economy will far outweigh any risks that it could propose, and I heartily endorse the gentleman from Connecticut's legislation, H.R. 1965.

Mr. PETERS. Mr. Speaker, I currently do not have additional speakers; so I reserve the balance of my time.

Mr. BACHUS. I thank the gentleman from Michigan.

At this time I would like to yield 1½ minutes to the gentleman from Michigan (Mr. HUIZENGA).

Mr. HUIZENGA of Michigan. Mr. Speaker, I rise today in support of H.R. 1965.

We missed that number by one. It should be 1964, because 1964 was the last time that they actually updated these registration numbers. That is a very long time. I can tell you, at age 42, it was a number of years before I was even born the last time that this happened, and it's high time that it does happen.

I can also tell you, Mr. Speaker, that here with the Republican Americans' Job Creators Plan, the first thing on that list is: Empower small businesses and reduce government barriers to job creation.

And I really hope that this bipartisan bill doesn't become part of that lost 19 over in the Senate. This is a very proactive, bipartisan step that this body is taking that as it goes over across to that next Chamber needs to be addressed. We need to do this because we must modernize; we must update; we must do these things to remain competitive on a world market.

Mr. Speaker, I appreciate the opportunity and am pleased that I could rise in support of that bill.

Mr. BACHUS. Mr. Speaker, I yield 5 minutes to the gentleman from Arizona (Mr. SCHWEIKERT).

Mr. SCHWEIKERT. First, I would like to offer a thank you to my chairman, Mr. BACHUS, and also to the sponsor of the bill, my friend from Connecticut.

H.R. 1965 actually has an opportunity here to actually solve some things that have been of frustration, and learning some of the story was fascinating.

In Arizona, many of our community banks are quite new, but across the country you hear the story of community banks that have been there for many, many, many years. And we had one come testify and was telling us the story off to the side that most of its shareholders actually go back to returning soldiers of World War II, and they've literally had the same families, the same family members holding these shares for 50, 60 years. It causes one little technical problem: They've literally been up against their 500 shareholders for all of those years. So their ability to access new capital has been limited by these rules.

So this is a classic case of, if we want our banking system, particularly our community banks, our local lenders, to be capitalized, which they're typically capitalized with local investments, what a terrific piece of legislation. And it's one of those moments where you stand here and you look across the aisle and you find yourself smiling, saying, This is terrific. We're doing something bipartisan. We're doing something that actually produces capital in our Main Street of our communities, particularly for those lenders that often fund our local neighborhood businesses. We're heading in the right direction here.

□ 1310

Mr. PETERS. I continue to reserve the balance of my time.

Mr. BACHUS. Mr. Speaker, I yield myself such time as I may consume.

About 2 years ago, the gentleman from Michigan (Mr. PETERS) and I were in Kabul and Kandahar together on a trip.

I remember talking to my Democratic colleague, saying that there must be things that Republicans and Democrats can work together on to solve. We were obviously in a country that was torn apart by differences, but we both had something in common—we were concerned about our constituents; we were concerned about unemployment; and we were concerned about jobs. I think that's true of every Member in this body.

We know that the path to prosperity is jobs and that, if Americans are working, if they're earning, they feel better about themselves and that, if they're losing their jobs, then it's going to be not only a problem for them and their families but for their communities and for their country.

I am happy to report—and I think it's fitting that the gentleman from Michigan would be across the aisle from me managing the time for the minority—that here we are moving four pieces of legislation today, tomorrow, and on Friday, legislation which will create jobs and will do so without government expense. In fact, they'll do so with some marginal savings to the government but with a great savings to those businesses.

This morning—and I don't know that it was a coincidence—the job figures came out. Large corporations lost 1,000 employees last month, but our middle-sized and small businesses created 108,000 jobs. Now, those aren't enough jobs; those aren't enough jobs for the people graduating and going into the workforce, but that's where job creation is coming from in the economy now—from small- and middle-sized businesses, those with under 500 employees particularly, and from that midrange of 50 to 500 employees.

This bill that the gentleman from Connecticut (Mr. HIMES) has brought forward has won bipartisan support because it actually will create jobs in those small community banks and credit unions because it will make their cost of capital less. In a recent survey, 70 percent of small- and middle-sized businesses, those with 500 or fewer employees, said if we had more capital, if we had more funding, we would hire. This is 70 percent. Only 14 percent said they were going to hire. The difference in that number is that the others weren't sure that they could get capital. There are two ways that you obtain capital to create jobs. One is you go and borrow it from a bank, or from an insurance company in some cases, or from someone else. But there is another way, which is by someone willing to invest in your company.

As a small boy, I can remember my father had a business, and before that,

he'd invested with another man in a business. I think that one of the American Dreams is not only owning a house—and that's still an American Dream to own your own home even in the circumstances we've been through—but either to have your own business or to be able to invest in somebody else's business.

The gentleman from Connecticut's legislation will allow that threshold of people who want to invest in a community-based financial institution, and it will encourage those community banks to allow more shareholders, more people, to participate. Yes, they will be participating in the risk, but they'll also be participating in the profit, which is really the American system. When you invest, you take risks, but if things are successful, you profit. That's where the risks and the profits ought to be taken. They shouldn't be taken by the taxpayers involuntarily, and they shouldn't be taken by the government. The government shouldn't take the taxpayers' money and invest in business. It is those taxpayers—our constituents, our citizens—who ought to make the decisions on what companies they want to invest in. We all know community banks are struggling today. It will allow them to attract investors, people who say, "I want to invest in your bank." They may be people who do business with the banks, and will probably be people who live in the community.

This bill will be the first of four bills that we bring forward, and they are going to be successful. They're going to move from the House to the Senate, I'll predict this week, because, as the minority whip, the gentleman from Maryland, said, there is agreement that this is the right thing to do and that we do have an obligation not only to oppose some things but to also be for positive legislation. The House this week will be for something. It will be for job creation. It will be for allowing people to invest. It will be enabling companies to attract that capital and hire people. So we can feel very good about ourselves this week, and it can start with this bill.

This is not a minor piece of legislation, but it's on suspension because it enjoys widespread support, as does the bill tomorrow. As for the two in the following days, we've worked out the differences. The gentleman from Colorado (Mr. PERLMUTTER) had a concern about a bill later this week. He felt like it didn't have enough investor protection. We've addressed that concern and have added his suggestion to the bill.

All four of these bills that will move this week are bipartisan bills. They're not Republican bills, they're not Democratic bills. They're bipartisan bills. I commend the minority whip for speaking out for these bills—I think that bodes well—and I hope the Senate was listening. I also appreciate the gentleman from Connecticut for a bill that really is long overdue. It will imme-

diately allow our community banks to invest and not be dependent on the government for help.

With that, I yield back the balance of my time.

Mr. PETERS. Mr. Speaker, I just want to join in and thank the gentleman from Connecticut for bringing this very commonsense piece of legislation before us. It is essential to bringing capital into our local communities and creating jobs, as Chairman BACHUS mentioned. I also want to thank Chairman BACHUS for his leadership on this issue.

I remember very fondly our trip to Afghanistan. It is nice that we have found common ground and that we are working today in a bipartisan fashion to make sure that our communities are strong and are vibrant and have the tools necessary to create additional jobs.

So, with that, I would certainly encourage my colleagues to support this important piece of legislation, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona (Mr. SCHWEIKERT) that the House suspend the rules and pass the bill, H.R. 1965, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. BACHUS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

□ 1320

SMALL COMPANY CAPITAL FORMATION ACT OF 2011

Mr. BACHUS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1070) to amend the Securities Act of 1933 to authorize the Securities and Exchange Commission to exempt a certain class of securities from such Act, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1070

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Company Capital Formation Act of 2011".

SEC. 2. AUTHORITY TO EXEMPT CERTAIN SECURITIES.

(a) IN GENERAL.—Section 3(b) of the Securities Act of 1933 (15 U.S.C. 77c(b)) is amended—

(1) by striking "(b) The Commission" and inserting the following:

"(b) ADDITIONAL EXEMPTIONS.—

"(1) SMALL ISSUES EXEMPTIVE AUTHORITY.—The Commission"; and

(2) by adding at the end the following:

"(2) ADDITIONAL ISSUES.—The Commission shall by rule or regulation add a class of securities to the securities exempted pursuant