

Mr. Speaker, I rise in support of H.R. 2610, sponsored by the gentleman from North Carolina, the chairman of the Financial Services Committee.

Mr. Speaker, both this bill and the last bill we considered are seeking to reduce the obligations of emerging growth companies, or EGCs.

H.R. 2608 would allow an EGC to provide only 2 years of audited financial statements in the case of an acquisition or a follow-on offering. We just passed that bill on this floor by a voice vote. We are now considering H.R. 2610, which takes that concept one step further and allows an EGC to provide only 2 years of audited financial statements in the case of a spinoff.

Logically, if we are going to adopt that bill, we should adopt this bill.

A spinoff transaction is one where one company creates a new independent company by selling new shares of its existing business.

Both H.R. 2608, which we just passed, and this bill, H.R. 2610, reduce the obligations for EGCs by saying that they need to provide not 3 years of audited financial statements but 2 years of audited statements.

We should keep in line what is required for EGCs, whether they are going public, whether they are acquiring, whether they are doing an initial public offering, or, as this bill does, whether they are doing a spinoff.

Mr. Speaker, I urge my colleagues to support this bill, and I reserve the balance of my time.

Mrs. WAGNER. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina (Mr. MCHENRY), the chairman of the full Financial Services Committee.

Mr. MCHENRY. Mr. Speaker, I thank Chairwoman WAGNER for her great leadership on the committee.

Mr. Speaker, I think it has been well-explained about emerging growth companies. We have had a nice discussion here on the House floor of what we had done in Congress 11 years ago to ensure that fast-growing, smaller companies can access our capital markets and do so with less regulatory burden, enticing them into our public markets, which enable average, everyday investors to have more investment opportunities and ownership of American society, as well.

Speaking to that, this bill clarifies the periods for which financial statements are required to be provided by an emerging growth company when conducting a spinoff transaction. This legislation will strengthen public markets by addressing an irregularity that was not addressed under the JOBS Act of 2012 and ensure consistent treatment for emerging growth companies, whether they are going public or spinning off a portion of their business.

Mr. Speaker, I have talked about the positive impact of emerging growth companies and of the JOBS Act, generally, since it was enacted into law. At that period of time, in 2012, you had a Republican House of Representatives,

a Democrat Senate, a Democrat in the White House, and very few things got done.

President Obama at the time wanted to address the jobs challenge in American society and wanted us to change law and regulations so that we can actually lift people out of poverty and back into the workforce.

Those were some very important things that we discussed that Congress, but the foremost of that was the legislating we did out of the Financial Services Committee, which culminated in the passage of what was called the JOBS Act.

One of the best provisions in the JOBS Act was the emerging growth companies' section of that, or title of that bill, and that is what we are talking about and speaking of on this day.

What we are trying to do is tweak that law to make sure it functions appropriately. Like all things, whether it is your home, legislation, or your car, you want to adjust it from time to time to make sure it is running the way you intended it to run. That is what we are doing here today with these small changes to the emerging growth companies' statute and the JOBS Act.

Mr. Speaker, I urge my colleagues to vote "yes" on this important provision.

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

Mr. Speaker, the House, just a few minutes ago, adopted on a voice vote, H.R. 2608. That bill had passed the committee by a vote of 41-0. This bill is extremely similar, except it passed the committee with a vote of 42-0.

H.R. 2610 will ensure that there is uniformity regarding EGCs' financial disclosure obligations, in this case, in the event that an EGC conducts a spinoff.

Mr. Speaker, I urge my colleagues to support this bill, and I yield back the balance of my time.

Mrs. WAGNER. Mr. Speaker, I simply urge my colleagues to support H.R. 2610, and I yield back the balance of my time.

Ms. JACKSON LEE. Mr. Speaker, I rise today in support of H.R. 2610, which amends the Securities Exchange Act of 1934.

This amendment specifies certain registration statement contents for emerging growth companies.

Additionally, the amendment permits issuers to file draft registration statements with the Securities and Exchange Commission for confidential review prior to a public filing.

Further, emerging growth companies will only be required to submit profit and loss statements from the previous two years in registration statements submitted to the SEC, rather than the previous three years currently required by law.

This bill facilitates greater efficiency and capital formation without sacrificing investor protection.

In my home state of Texas, the Houston area leads the Nation in small business development and is one of the top emerging ecosystems for startups globally.

More broadly, Texas remains the top destination in the Nation for new companies.

Under this bill, emerging companies across Texas, the City of Houston, and the Nation will better be able to explore their options for future growth, evaluate required disclosures, and thoughtfully consider whether they will proceed with their public offering.

This bill will boost these businesses and enhance their ability to catalyze economic growth and job creation nationwide.

I urge my colleagues to join me in supporting H.R. 2610 and the economic growth of our Nation, which is fueled by these emerging growth companies.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Missouri (Mrs. WAGNER) that the House suspend the rules and pass the bill, H.R. 2610, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

AUTHORIZING THE USE OF CAPITOL GROUNDS FOR GREATER WASHINGTON SOAP BOX DERBY

Mr. EDWARDS. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 43) authorizing the use of the Capitol Grounds for the Greater Washington Soap Box Derby.

The Clerk read the title of the concurrent resolution.

The text of the concurrent resolution is as follows:

H. CON. RES. 43

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. USE OF CAPITOL GROUNDS FOR SOAP BOX DERBY RACES.

(a) IN GENERAL.—The Greater Washington Soap Box Derby Association (in this resolution referred to as the "sponsor") shall be permitted to sponsor a public event, soap box derby races (in this resolution referred to as the "event"), on the Capitol Grounds.

(b) DATE OF EVENT.—The event shall be held on June 17, 2023, or on such other date as the Speaker of the House of Representatives and the Committee on Rules and Administration of the Senate jointly designate.

SEC. 2. TERMS AND CONDITIONS.

(a) IN GENERAL.—Under conditions to be prescribed by the Architect of the Capitol and the Capitol Police Board, the event shall be—

(1) free of admission charge and open to the public; and

(2) arranged not to interfere with the needs of Congress.

(b) EXPENSES AND LIABILITIES.—The sponsor shall assume full responsibility for all expenses and liabilities incident to all activities associated with the event.

SEC. 3. EVENT PREPARATIONS.

Subject to the approval of the Architect of the Capitol, the sponsor is authorized to erect upon the Capitol Grounds such stage, sound amplification devices, and other related structures and equipment as may be required for the event.

SEC. 4. ADDITIONAL ARRANGEMENTS.

The Architect of the Capitol and the Capitol Police Board are authorized to make

such additional arrangements as may be required to carry out the event.

SEC. 5. ENFORCEMENT OF RESTRICTIONS.

The Capitol Police Board shall provide for enforcement of the restrictions contained in section 5104(c) of title 40, United States Code, concerning sales, advertisements, displays, and solicitations on the Capitol Grounds, as well as other restrictions applicable to the Capitol Grounds, with respect to the event.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. EDWARDS) and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina.

GENERAL LEAVE

Mr. EDWARDS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and insert extraneous material into the RECORD on H. Con. Res. 43.

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

There was no objection.

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

Mr. Speaker, H. Con. Res. 43 authorizes the use of the Capitol Grounds for the Greater Washington Soap Box Derby later this month.

Every year, we authorize the use of the Capitol Grounds for this event.

The national All-American Soap Box Derby has been running since 1934 and provides opportunities for young people to demonstrate their innovation and ingenuity through a family-friendly competition—something we need much more of this day and age.

The Greater Washington Soap Box Derby is one of many local races that will qualify winning competitors for participation in the national Soap Box Derby.

Mr. Speaker, I urge support for this resolution, and I reserve the balance of my time.

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

Mr. Speaker, today we are considering H. Con. Res. 43, to authorize the use of the Capitol Grounds for the Greater Washington Soap Box Derby.

Mr. Speaker, I thank Representative HOYER for introducing this resolution. The Greater Washington Soap Box Derby is an annual competitive event that encourages children, ages 9 through 16, to construct and race their own soapbox vehicles on the Capitol Grounds.

This event has become a great tradition in the District of Columbia metropolitan area over the last few decades. It provides a terrific opportunity for children to appreciate the work necessary to build the vehicles and enjoy the thrill of competition.

The Greater Washington Soap Box Derby organizers will work with the Architect of the Capitol and the Capitol Police to ensure the appropriate rules and regulations are in place and

that the event remains free to the public.

Mr. Speaker, I urge my colleagues to support this resolution, and I reserve the balance of my time.

Mr. EDWARDS. Mr. Speaker, I reserve the balance of my time.

Ms. NORTON. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Speaker, I thank the gentlewoman from the District of Columbia for her steadfast support of this event and her extraordinary representation of the District of Columbia. I thank the gentleman from North Carolina for his consideration in bringing this forward.

Mr. Speaker, I strongly support this resolution. It authorizes an event that I am proud to support every year: the Greater Washington Soap Box Derby.

The soapbox derby brings people together from across the Greater Washington metro area, encouraging kids, families, and communities to compete in a fun and educational race.

Mr. Speaker, this is my 30th year introducing this resolution. I am pleased to say that every year it has passed unanimously.

This is the Greater Washington Soap Box Derby's 80th year. The race will be held on June 17 and will see soapbox racers, ages 8 to 17, compete in three divisions: Stock, Super Stock, and Masters. The winner from each division will have a chance to compete at the national All-American Soap Box Derby in Akron, Ohio.

Soapbox derbies have been called the greatest amateur racing event in the world. Whether that is absolute fact, it is very close. They have become a staple of the American experience all over our country. They teach sportsmanship, engineering, manufacturing, leadership skills, and so many other skills, as well.

Often times, racers are sponsored by local civic groups, service organizations, and police or fire departments with members coming out to cheer their local hometown participants.

Mr. Speaker, I am proud to sponsor this resolution today that will authorize the use of the Capitol Grounds, which is essential for this soapbox derby to proceed.

Mr. Speaker, I am proud that several Greater Washington Soap Box Derby champions have come from Maryland's Fifth District, including the winners from 2007, 2008, 2009, 2012, 2013, 2014, and 2018. I am sure all of you are saying, well, it is no surprise that HOYER supports this resolution on an annual basis. His guys do pretty well. Our racers even won a national championship in 2007 and 2008.

I am excited to see how the Fifth District racers do this year, and to see their colorful and creative soapbox designs.

Mr. Speaker, I hope every Member will join me in supporting this worthy event. I invite them to join me in cheering on the Greater Washington soapbox racers on June 17.

Mr. EDWARDS. Mr. Speaker, I reserve the balance of my time.

Ms. NORTON. Mr. Speaker, I urge my colleagues to support H. Con. Res. 43, and I yield back the balance of my time.

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Mr. EDWARDS. Mr. Speaker, the Greater Washington Soap Box Derby is a time-honored tradition that provides an opportunity to promote fair and honest competition amongst the children in the Greater Washington area.

Mr. Speaker, I urge support of this resolution, and I yield back the balance of my time.

Ms. JACKSON LEE. Mr. Speaker, I rise today in support of H. Con. Res. 43, Authorizing the Use of the Capitol Grounds for the Greater Washington Soap Box Derby.

The Greater Washington Soap Box Derby Association shall be permitted to sponsor a public event, soap box derby races, on the Capitol Grounds.

The event shall be held on June 17, 2023, or on another designated date, whereby the sponsor shall assume full responsibility for all expenses and liabilities associated with the event.

The event shall be free of admission charge and open to the public; and arranged not to interfere with the needs of Congress.

The Soap Box Derby is a youth soapbox car racing program which has been run in the United States since 1933.

It is also an event we support in my district by way of the Greater Houston Soap Box Derby (GHSBD) which is an all-volunteer, 501(c)(3) non-profit, Texas corporation organized for charitable and educational purposes.

I support the expansion of this event and all those who are dedicated to having a race program that is safe, fun, fair, professionally run, and that reaches out to all youth.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. EDWARDS) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 43.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

ENCOURAGING PUBLIC OFFERINGS ACT OF 2023

Mrs. WAGNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2793) to amend the Securities Act of 1933 to expand the ability to use testing the waters and confidential draft registration submissions, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H. R. 2793

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 "Encouraging Public Offerings Act of 2023".

SEC. 2. EXPANDING TESTING THE WATERS.

Section 5(d) of the Securities Act of 1933 (15 U.S.C. 77e(d)) is amended—