

118TH CONGRESS  
1ST SESSION

# S. 3242

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

NOVEMBER 7, 2023

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

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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 through the  
14 Federal universal service support mechanism for  
15 rural, insular, and high cost areas established under  
16 section 254 of the Communications Act of 1934 (47  
17 U.S.C. 254) and filed the report described in para-  
18 graph (7) with respect to such fiscal year, not later  
19 than 120 days after the last day of its first fiscal  
20 year ended after the date of enactment of this sub-  
21 paragraph, on which the issuer has total assets ex-  
22 ceeding \$10,000,000 and a class of equity security  
23 (other than an exempted security) held of record by  
24 2,000 or more persons,”; and

25 (D) in the flush text following subpara-  
26 graph (C), as added by subparagraph (C) of

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

9           “(7) MANDATORY DISCLOSURES BY CERTAIN UNI-  
10          VERSAL SERVICE SUPPORT MECHANISM RECIPIENTS.—

11           “(A) IN GENERAL.—The Commission shall  
12          issue regulations to establish a financial summary  
13          form to be filed with the Commission that may,  
14          upon request by an investor, be made available by an  
15          issuer that—

16                   “(i) during its previous fiscal year, received  
17                   support, directly or through an affiliate,  
18                   through the Federal universal service support  
19                   mechanism for rural, insular, and high cost  
20                   areas established under section 254 of the Com-  
21                   munications Act of 1934 (47 U.S.C. 254); and

22                   “(ii) has a class of equity security held of  
23                   record by—

1                   “(I) not fewer than 500 persons who  
2                   are not accredited investors (as such term  
3                   is defined by the Commission); and

4                   “(II) fewer than 2,000 persons.

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

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