

117TH CONGRESS  
2D SESSION

# S. 3931

To require the Securities and Exchange Commission to extend exemptions for securities offered as part of employee pay to other individuals providing goods for sale, labor, or services for remuneration, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

MARCH 24, 2022

Ms. LUMMIS 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 require the Securities and Exchange Commission to extend exemptions for securities offered as part of employee pay to other individuals providing goods for sale, labor, or services for remuneration, 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 “Gig Worker Equity  
5 Compensation Act”.

6 **SEC. 2. EXTENSION OF RULE 701.**

7 (a) IN GENERAL.—

1           (1) DEFINITION.—For purposes of this sub-  
2           section, the term “customers”, with respect to an  
3           issuer, may, at the election of the issuer, include  
4           users of a platform of the issuer.

5           (2) APPLICATION.—The exemption provided  
6           under section 230.701 of title 17, Code of Federal  
7           Regulations, or any successor regulation, shall apply  
8           to individuals (other than employees) providing  
9           goods for sale, labor, or services for remuneration to  
10          an issuer, or to customers of an issuer, to the same  
11          extent as that exemption applies to employees of the  
12          issuer.

13          (b) ADJUSTMENT FOR INFLATION.—Section 507 of  
14          the Economic Growth, Regulatory Relief, and Consumer  
15          Protection Act (15 U.S.C. 77e note) is amended, in the  
16          second sentence, by striking “every 5 years” and inserting  
17          “annually”.

18          (c) RULEMAKING.—

19                 (1) PROPOSED RULES.—Not later than 270  
20                 days after the date of enactment of this Act, the  
21                 Commission shall issue proposed revisions to section  
22                 230.701 of title 17, Code of Federal Regulations, or  
23                 any successor regulation—

24                         (A) to reflect the requirements of this sec-  
25                         tion; and

1           (B) that do not revise such section  
2           230.701 in any manner that would have the ef-  
3           fect of restricting access to equity compensation  
4           for employees or individuals described in sub-  
5           section (a).

6           (2) FINAL RULES.—Not later than 270 days  
7           after the date on which the Commission issues the  
8           proposed revisions required under paragraph (1), the  
9           Commission shall issue a final version of those revi-  
10          sions.

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