



SMALL BUSINESS
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WITH A LITTLE HELP FROM MY FRIENDS

Some of you probably thought I was kidding when I said this last week: "This has unofficially been designated a 'safe zone' for bipartisan cooperation."

I was talking about the package of bills that would revise securities laws and Securities and Exchange Commission (SEC) rules to make it easier for "smaller" businesses to secure equity investments.

As expected, the House passed the "Jumpstart Our Business Startups Act" (H.R. 3606) by a 390-23 margin. Hello. What did I tell you!

The headliner concept in the package is to permit "crowdfunding." This allows you to recruit via the Internet/Social Media, friends, families and others to chip in a few bucks in your business without running afoul of SEC rules. There will be a limit on how much you can raise this way.

(My personal opinion is that this will not be as easy to do as it sounds. The World Wide Web is already saturated with dubious solicitations. Have you looked at your SPAM folder lately? Somehow, the legitimate are going to have to find a way to rise above the clutter.)

(See last week's Weekly for the summary of the other components of the House-passed bill.)

As I noted last week, through the magic of modern Washington politics, the bill rolled up three bills the House had already passed into one with a little twist of some additional bills for good measure.

Not to be outdone, Senate Majority Leader Harry Reid (D-NV) will unveil his own package. It will not be the same as the House-passed bill but it will be close enough for government work.

We will see what the Senate Majority Leader says about the timing for consideration. Regardless of what he says about timing, by Senate standards, passage should be relatively painless, as this has shaped up into a "free" vote for small business.

I think they will need a conference to come up with a final version but it is too soon to speculate on that. When the Senate actually passes a bill, we will see whether it is something the House just passes.

The President will sign whatever they send him; there is no reason for him to pass up the opportunity to sign a "small business" bill and hail the brief break out of bipartisanship sunshine.

THE LONG AND WINDING ROAD

The Senate is expected to complete work this week on its version of a surface transportation reauthorization bill. It is a two-year bill with modest funding.

There is no other way to describe it other than to say the House has gone "weird" on the topic. At the moment, it appears they will consider the Senate bill or a variation on the theme. This comes after a several missed turns.

I am not confident that I can say what the final product will look like, but I do expect the intensity to get a final product to the President to pick up as a critical March 31st deadline approaches.

OFF AGAIN, ON AGAIN

While the House adjusted their calendar a bit after last year's experiment, they are still following a slightly different schedule than the Senate this year. The Senate is on this week, and the House is off. It sure makes for a weird rhythm for those of us who work here. I know this is wreaking havoc with those of you that have to book hotel rooms a year in advance for your spring Washington Fly In. ☺