

Steil: Introduces Helping Startups Continue to Grow Act

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Steil Introduces Helping Startups Continue to Grow Act

WASHINGTON, D.C.—House Financial Services Committee member Congressman Bryan Steil (WI-01) introduced **H.R. 3448, the Helping Startups Continue to Grow Act**. Steil's bill streamlines reporting requirements for new companies so they can invest in growth and innovation. Congressmen French Hill (AR-02) and Trey Hollingsworth (IN-09) are original cosponsors of the bill.

“We must give entrepreneurs the tools to recover and succeed following the pandemic. Reducing regulatory burdens is one step to help new companies create jobs and grow wages. My bill allows startups to focus on supporting workers, expanding their company, and developing the best products in the world, rather than dealing with regulations and compliance costs. Thank you to Congressmen Hill and Hollingsworth for supporting the Helping Startups Continue to Grow Act,” **said Steil.**

“Today, Committee Democrats will push more regulation which ultimately will discourage companies from going public—that’s unfortunate. What we should be discussing instead is...Mr. Steil’s bill, his proposal to reduce regulatory costs and

streamline disclosures for small public companies...All these bills will do more to help investors and small businesses than the discussion we're having today," **said Ranking Member Patrick McHenry during the opening remarks for today's Subcommittee on Investor Protection, Capital Markets, and Entrepreneurship's hearing.**

"Entrepreneurs and small business owners are the lifeblood of Arkansas and America. Rep. Steil's legislation allows these businesses to focus on growth and expansion in their early stages which allows for more investment in our communities and our economy overall. I am proud to work with my colleague on this bill to help encourage entrepreneurial growth and success," **said Hill.** "As the co-chair of the House Entrepreneurship Caucus and as a former entrepreneur myself, I have and will continue to promote and support legislation that bolsters startups as our economy recovers from the current health crisis."

"The Helping Startups Continue to Grow Act reduces burdensome regulations, helping small companies expand and raise capital at a critical time for new business development," **said Hollingsworth.** "I'm proud to join Rep. Steil and my other colleagues supporting this bill in helping employers and employees thrive."

The Helping Startups Continue to Grow Act gives Emerging Growth Companies more time to continue expanding and developing their product under streamlined disclosure and filing procedures. The Helping Startups Continue to Grow Act provides a five-year extension of certain exemptions and reduced disclosure requirements. Currently, Emerging Growth Companies (EGCs) can maintain their status as an EGC for up to five years after they become a public company. EGCs are young, public companies that are continuing to invest in innovation. However, many of these companies are not generating enough revenue five years after becoming public to support the compliance costs that come with a loss of EGC status. By providing this five-year extension, startup companies do not have to spend their time and money on bureaucratic regulations and burdensome compliance procedures meant for larger and more mature firms. Instead, these companies can focus on investing in communities, creating good paying jobs, and developing products. H.R. 3448 aims to help all startups, but this especially assists companies developing lifesaving drugs, medical devices, and other products.

Steil founded the [Investing in Innovation Initiative](#), a project dedicated to promoting policies that strengthen capital markets and support a growing, dynamic economy that provides opportunity for all Americans. Co-founders of the Investing in Innovation Initiative include Reps. Ann Wagner (MO-02), Andy Barr (KY-06), Steve Stivers (OH-15), Warren Davidson (OH-08), Anthony Gonzalez (OH-16), and William Timmons (SC-04).

Steil is a member of the House Financial Services Committee and serves on the Subcommittee on Investor Protection, Entrepreneurship, and Capital Markets and the Subcommittee on Housing, Community Development, and Insurance. Steil is also a member of the Fintech Task Force.

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