

AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 4171
OFFERED BY MR. GARBARINO OF NEW YORK

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Small Entrepreneurs’
3 Empowerment and Development Act of 2025” or the
4 “SEED Act of 2025”.

5 SEC. 2. MICRO-OFFERING EXEMPTION.

6 (a) IN GENERAL.—Section 4 of the Securities Act of
7 1933 (15 U.S.C. 77d) is amended—

8 (1) in subsection (a), by adding at the end the
9 following:

10 “(8) transactions meeting the requirements of
11 subsection (f).”; and

12 (2) by adding at the end the following:

13 “(f) MICRO-OFFERINGS.—

14 (1) IN GENERAL.—The transactions referred
15 to in subsection (a)(8) are transactions involving the
16 offer or sale of securities by an issuer (including all
17 entities controlled by or under common control with
18 the issuer) where the aggregate amount of all securi-

1 ties offered or sold by the issuer, including any
2 amount sold in reliance on the exemption provided
3 under subsection (a)(8), during the 12-month period
4 preceding the date of such transaction, does not ex-
5 ceed \$500,000.

6 “(2) ADJUSTMENT.—The dollar amount in
7 paragraph (1) shall be adjusted by the Commission
8 not less frequently than once every 5 years and at
9 the same time as the adjustments made under sec-
10 tion 4A(h), by notice published in the Federal Reg-
11 ister to reflect any change in the Consumer Price
12 Index for All Urban Consumers published by the
13 Bureau of Labor Statistics, setting the threshold to
14 the nearest \$10,000.

15 “(3) BAD ACTOR PROHIBITION.—The excep-
16 tion under this subsection shall not apply to any per-
17 son subject to—

18 “(A) an event that would disqualify an
19 issuer or other covered person under section
20 230.506(d) of title 17, Code of Federal Regula-
21 tions, or any successor regulation; or

22 “(B) a statutory disqualification, as de-
23 fined in section 3(a) of the Securities Exchange
24 Act of 1934 (15 U.S.C. 78c(a)).”.

1 (b) EXEMPTION UNDER STATE REGULATIONS.—Section 18(b)(4) of the Securities Act of 1933 (15 U.S.C.

2 77r(b)(4)) is amended—