

119TH CONGRESS
1ST SESSION

H. R. 3395

IN THE SENATE OF THE UNITED STATES

JULY 22, 2025

Received; read twice and referred to the Committee on Banking, Housing, and
Urban Affairs

AN ACT

To require the Comptroller General of the United States
to carry out a study of the costs associated with small-
and medium-sized companies to undertake initial public
offerings.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Middle Market IPO
3 Cost Act”.

4 **SEC. 2. STUDY ON IPO FEES.**

5 (a) STUDY.—The Comptroller General of the United
6 States, in consultation with the Securities and Exchange
7 Commission and the Financial Industry Regulatory Au-
8 thority, shall carry out a study of the costs associated with
9 small- and medium-sized companies to undertake initial
10 public offerings (“IPOs”). In carrying out such study, the
11 Comptroller General shall—

12 (1) consider the direct and indirect costs of an
13 IPO, including—

14 (A) fees of accountants, underwriters, and
15 any other outside advisors with respect to the
16 IPO;

17 (B) compliance with Federal and State se-
18 curities laws at the time of the IPO; and

19 (C) such other IPO-related costs as the
20 Comptroller General may consider;

21 (2) compare and analyze the costs of an IPO
22 with the costs of obtaining alternative sources of fi-
23 nancing and of liquidity;

24 (3) consider the impact of such costs on capital
25 formation;

1 (4) analyze the impact of these costs on the
2 availability of public securities of small- and me-
3 dium-sized companies to retail investors; and

4 (5) analyze trends in IPOs over a time period
5 the Comptroller General determines is appropriate to
6 analyze IPO pricing practices, considering—

7 (A) the number of IPOs;

8 (B) how costs for IPOs have evolved over
9 time for underwriters, investment advisory
10 firms, and other professions for services in con-
11 nection with an IPO;

12 (C) the number of brokers and dealers ac-
13 tive in underwriting IPOs;

14 (D) the different types of services that un-
15 derwriters and related persons provide before
16 and after a small- or medium-sized company
17 IPO and the factors impacting IPOs costs;

18 (E) changes in the costs and availability of
19 investment research for small- and medium-
20 sized companies; and

21 (F) the impacts of litigation and its costs
22 on being a public company.

23 (b) REPORT.—Not later than the end of the 360-day
24 period beginning on the date of the enactment of this Act,
25 the Comptroller General of the United States shall issue

1 a report to the Congress containing all findings and deter-
2 minations made in carrying out the study required under
3 subsection (a) and any administrative or legislative rec-
4 ommendations the Comptroller General may have.

Passed the House of Representatives July 21, 2025.

Attest: KEVIN F. MCCUMBER,
Clerk.