

Fairfax County Small Business Commission
Small Business: Legislative and Policy News

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Congress Passes Bill to Help Small Businesses Access Early Capital

On January 4, 2017, U.S. Congressman Steve Chabot, Chairman of the House Small Business Committee introduced H.R.79, the Helping Angels Lead Our Startups (HALOS) Act. On January 10, 2017, the HALOS Act passed the House of Representatives by a vote of 344-73.

The bill builds on a provision of the 2012 JOBS Act and encourages “Angel Investor Groups” to invest personal capital in early-stage companies. “Angel Investor Groups” must meet specific requirements to be eligible for networking opportunities provided by the HALOS Act. These requirements ensure that Angel Investors are not affiliated with brokers, dealers, or investment advisers.

Congressman Chabot stated that the act would support the next generation of business investors and cut through what he argued was “unnecessary red tape.” Id.

Ernie Holtzheimer, a Philadelphia attorney and expert in technological issues wrote that the HALOS Act would simplify networking events known as Demo Days, by verifying that all attendees were eligible investors before the event.

All types of small businesses could potentially benefit from the HALOS Act ranging from commercial businesses to local governments, universities, and non-profit organizations. Congressman Chabot’s bill has the potential to benefit many small businesses by facilitating interactions between small firms and investors.

For more details please visit:

<http://smallbusiness.house.gov/news/documentsingle.aspx?DocumentID=399526>

Delegate Bell Introduces Legislation to Increase Punishment for Cyber Attacks

On January 10, 2017, Virginia Delegate John Bell introduced HB 1809 and HB 1986, which propose more severe penalties for crimes against cyber security such as invasion of privacy, fraud, and computer trespassing.

HB 1809 would add felony offenses contained in Virginia’s Computer Crimes Act to qualify under the Virginia Racketeer Influenced and Corrupt Organization (RICO) Act. Specific crimes include computer fraud, transmission of unsolicited commercial electronic mail, computer trespassing, invasion of cyber privacy, using a computer to gather identifying information, and theft of computer services.

HB 1986 proposes that offenders convicted of computer trespassing with intentionally deceptive means shall face up to five years of imprisonment and \$2,500.00, in fines. Examples of crimes associated with trespassing include temporarily disabling computer data, causing malfunction, altering electronic financial instruments, making unauthorized prints or copies from a computer, and installing software without authorization.

Small businesses that lack cyber-security infrastructure would likely benefit from Mr. Bell’s legislation. This provision is likely to provide a degree of security and informational safety for smaller Virginia businesses across the board.

For more details please visit:

<http://lis.virginia.gov/cgi-bin/legp604.exe?ses=171&typ=bil&val=hb1986>

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