

# Union Calendar No. 112

118<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2799

**[Report No. 118–143, Part I]**

To make reforms to the capital markets of the United States, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 24, 2023

Mr. MCHENRY introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

JULY 17, 2023

Reported from the Committee on Financial Services with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

JULY 17, 2023

Committee on Education and the Workforce discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[For text of introduced bill, see copy of bill as introduced on April 24, 2023]

# **A BILL**

To make reforms to the capital markets of the United States,  
and for other purposes.

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

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) *SHORT TITLE.*—*This Act may be cited as the “Ex-*  
 5 *anding Access to Capital Act of 2023”.*

6 (b) *TABLE OF CONTENTS.*—*The table of contents for*  
 7 *this Act is as follows:*

*Sec. 1. Short title; table of contents.*

*DIVISION A—STRENGTHENING PUBLIC MARKETS*

*TITLE I—REMOVE ABERRATIONS IN THE MARKET CAP TEST FOR  
 TARGET COMPANY FINANCIAL STATEMENTS*

*Sec. 1101. Avoiding aberrational results in requirements for acquisition and dis-*  
*position financial statements.*

*TITLE II—HELPING STARTUPS CONTINUE TO GROW*

*Sec. 1201. Short title.*

*Sec. 1202. Emerging growth company criteria.*

*TITLE III—SEC AND PCAOB AUDITOR REQUIREMENTS FOR NEWLY  
 PUBLIC COMPANIES*

*Sec. 1301. Auditor independence for certain past audits occurring before an*  
*issuer is a public company.*

*TITLE IV—EXPAND THE PROTECTION FOR RESEARCH REPORTS TO  
 COVER ALL SECURITIES OF ALL ISSUERS*

*Sec. 1401. Provision of research.*

*TITLE V—EXCLUDE QIBS AND IAAS FROM THE RECORD HOLDER  
 COUNT FOR MANDATORY REGISTRATION*

*Sec. 1501. Exclusions from mandatory registration threshold.*

*TITLE VI—EXPAND WKSI ELIGIBILITY*

*Sec. 1601. Definition of well-known seasoned issuer.*

*TITLE VII—SMALLER REPORTING COMPANY, ACCELERATED FILER,  
 AND LARGE ACCELERATED FILER THRESHOLDS*

*Sec. 1701. Smaller reporting company, accelerated filer, and large accelerated*  
*filer thresholds.*

*DIVISION B—HELPING SMALL BUSINESSES AND ENTREPRENEURS*

*TITLE I—UNLOCKING CAPITAL FOR SMALL BUSINESSES*

- Sec. 2101. Short title.*
- Sec. 2102. Safe harbors for private placement brokers and finders.*
- Sec. 2103. Limitations on State law.*

*TITLE II—SMALL BUSINESS INVESTOR CAPITAL ACCESS*

- Sec. 2201. Short title.*
- Sec. 2202. Inflation adjustment for the exemption threshold for certain investment advisers of private funds.*

*TITLE III—IMPROVING CAPITAL ALLOCATION FOR NEWCOMERS*

- Sec. 2301. Short title.*
- Sec. 2302. Qualifying venture capital funds.*

*TITLE IV—SMALL ENTREPRENEURS' EMPOWERMENT AND DEVELOPMENT*

- Sec. 2401. Short title.*
- Sec. 2402. Micro-offering exemption.*

*TITLE V—REGULATION A+ IMPROVEMENT*

- Sec. 2501. Short title.*
- Sec. 2502. JOBS Act-related exemption.*

*TITLE VI—DEVELOPING AND EMPOWERING OUR ASPIRING LEADERS*

- Sec. 2601. Short title.*
- Sec. 2602. Definitions.*
- Sec. 2603. Reports.*

*TITLE VII—IMPROVING CROWDFUNDING OPPORTUNITIES*

- Sec. 2701. Short title.*
- Sec. 2702. Crowdfunding revisions.*

*TITLE VIII—RESTORING THE SECONDARY TRADING MARKET*

- Sec. 2801. Short title.*
- Sec. 2802. Exemption from State regulation.*

*DIVISION C—INCREASING ACCESS TO PRIVATE MARKETS*

*TITLE I—GIG WORKER EQUITY COMPENSATION*

- Sec. 3101. Short title.*
- Sec. 3102. Extension of Rule 701.*
- Sec. 3103. Preemption of certain provisions of State law.*
- Sec. 3104. GAO study.*

*TITLE II—INVESTMENT OPPORTUNITY EXPANSION*

- Sec. 3201. Short title.*
- Sec. 3202. Investment thresholds to qualify as an accredited investor.*

*TITLE III—RISK DISCLOSURE AND INVESTOR ATTESTATION*

*Sec. 3301. Short title.*

*Sec. 3302. Investor attestation.*

*TITLE IV—ACCREDITED INVESTORS INCLUDE INDIVIDUALS  
RECEIVING ADVICE FROM CERTAIN PROFESSIONALS*

*Sec. 3401. Accredited investors include individuals receiving advice from certain professionals.*

1     ***DIVISION A—STRENGTHENING***  
 2                     ***PUBLIC MARKETS***  
 3     ***TITLE I—REMOVE ABERRATIONS***  
 4             ***IN THE MARKET CAP TEST***  
 5             ***FOR TARGET COMPANY FI-***  
 6             ***NANCIAL STATEMENTS***

7     ***SEC. 1101. AVOIDING ABERRATIONAL RESULTS IN REQUIRE-***  
 8                     ***MENTS FOR ACQUISITION AND DISPOSITION***  
 9                     ***FINANCIAL STATEMENTS.***

10         *The Securities and Exchange Commission shall revise*  
 11 *section 210.1–02(w)(1)(i)(A) of title 17, Code of Federal*  
 12 *Regulations, to permit a registrant, in determining the sig-*  
 13 *nificance of an acquisition or disposition described in such*  
 14 *section 210.1–02(w)(1)(i)(A), to calculate the registrant’s*  
 15 *aggregate worldwide market value based on the applicable*  
 16 *trading value, conversion value, or exchange value of all*  
 17 *of the registrant’s outstanding classes of stock (including*  
 18 *preferred stock and non-traded common shares that are con-*  
 19 *vertible into or exchangeable for traded common shares) and*  
 20 *not just the voting and non-voting common equity of the*  
 21 *registrant.*

1     **TITLE II—HELPING STARTUPS**  
2                     **CONTINUE TO GROW**

3     **SEC. 1201. SHORT TITLE.**

4             *This title may be cited as the “Helping Startups Con-*  
5 *tinue To Grow Act”.*

6     **SEC. 1202. EMERGING GROWTH COMPANY CRITERIA.**

7             *(a) SECURITIES ACT OF 1933.—Section 2(a)(19) of the*  
8 *Securities Act of 1933 (15 U.S.C. 77b(a)(19)) is amended—*

9                     *(1) by striking “\$1,000,000,000” each place such*  
10 *term appears and inserting “\$1,500,000,000”;*

11                     *(2) in subparagraph (B)—*

12                             *(A) by striking “fifth” and inserting “7-*  
13 *year”;* and

14                             *(B) by adding “or” at the end;*

15                     *(3) in subparagraph (C), by striking “; or” and*  
16 *inserting a period; and*

17                     *(4) by striking subparagraph (D).*

18             *(b) SECURITIES EXCHANGE ACT OF 1934.—Section*  
19 *3(a) of the Securities Exchange Act of 1934 (15 U.S.C.*  
20 *78c(a)) is amended, in the first paragraph (80) (related to*  
21 *emerging growth companies)—*

22                     *(1) by striking “\$1,000,000,000” each place such*  
23 *term appears and inserting “\$1,500,000,000”;*

24                     *(2) in subparagraph (B)—*

1           (A) by striking “fifth” and inserting “7-  
2           year”; and

3           (B) by adding “or” at the end;

4           (3) in subparagraph (C), by striking “; or” and  
5           inserting a period; and

6           (4) by striking subparagraph (D).

7   **TITLE III—SEC AND PCAOB AUDI-**  
8   **TOR REQUIREMENTS FOR**  
9   **NEWLY PUBLIC COMPANIES**

10 **SEC. 1301. AUDITOR INDEPENDENCE FOR CERTAIN PAST**  
11           **AUDITS OCCURRING BEFORE AN ISSUER IS A**  
12           **PUBLIC COMPANY.**

13           (a) *AUDITOR INDEPENDENCE STANDARDS OF THE*  
14 *PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD.—Sec-*  
15 *tion 103 of the Sarbanes-Oxley Act of 2002 (15 U.S.C.*  
16 *7213) is amended by adding at the end the following:*

17           “(e) *AUDITOR INDEPENDENCE FOR CERTAIN PAST AU-*  
18 *DITS OCCURRING BEFORE AN ISSUER IS A PUBLIC COM-*  
19 *PANY.—With respect to an issuer that is a public company*  
20 *or an issuer that has filed a registration statement to be-*  
21 *come a public company, the auditor independence rules es-*  
22 *tablished by the Board with respect to audits occurring be-*  
23 *fore the last fiscal year of the issuer completed before the*  
24 *issuer filed a registration statement to become a public com-*  
25 *pany shall treat an auditor as independent if—*

1           “(1) the auditor is independent under standards  
2           established by the American Institute of Certified  
3           Public Accountants applicable to certified public ac-  
4           countants in United States; or

5           “(2) with respect to a foreign issuer, the auditor  
6           is independent under comparable standards applica-  
7           ble to certified public accountants in the issuer’s home  
8           country.”.

9           **(b) AUDITOR INDEPENDENCE STANDARDS OF THE SE-**  
10          **CURITIES AND EXCHANGE COMMISSION.**—Section 10A of  
11          the Securities Exchange Act of 1934 (15 U.S.C. 78j–1) is  
12          amended by adding at the end the following:

13          “(n) **AUDITOR INDEPENDENCE FOR CERTAIN PAST**  
14          **AUDITS OCCURRING BEFORE AN ISSUER IS A PUBLIC COM-**  
15          **PANY.**—With respect to an issuer that is a public company  
16          or an issuer that has filed a registration statement to be-  
17          come a public company, the auditor independence rules es-  
18          tablished by the Commission under the securities laws with  
19          respect to audits occurring before the last fiscal year of the  
20          issuer completed before the issuer filed a registration state-  
21          ment to become a public company shall treat an auditor  
22          as independent if—

23                 “(1) the auditor is independent under standards  
24                 established by the American Institute of Certified

1 *Public Accountants applicable to certified public ac-*  
2 *countants in United States; or*

3 *“(2) with respect to a foreign issuer, the auditor*  
4 *is independent under comparable standards applica-*  
5 *ble to certified public accountants in the issuer’s home*  
6 *country.”.*

7 ***TITLE IV—EXPAND THE PROTEC-***  
8 ***TION FOR RESEARCH RE-***  
9 ***PORTS TO COVER ALL SECU-***  
10 ***RITIES OF ALL ISSUERS***

11 ***SEC. 1401. PROVISION OF RESEARCH.***

12 *Section 2(a)(3) of the Securities Act of 1933 (15 U.S.C.*  
13 *77b(a)(3)) is amended—*

14 *(a) by striking “an emerging growth company” and*  
15 *inserting “an issuer”;*

16 *(b) by striking “the common equity” and inserting*  
17 *“any”; and*

18 *(c) by striking “such emerging growth company” and*  
19 *inserting “such issuer”.*

1 **TITLE V—EXCLUDE QIBS AND**  
2 **IAAS FROM THE RECORD**  
3 **HOLDER COUNT FOR MANDA-**  
4 **TORY REGISTRATION**

5 **SEC. 1501. EXCLUSIONS FROM MANDATORY REGISTRATION**

6 **THRESHOLD.**

7 (a) *IN GENERAL.*—Section 12(g)(1) of the Securities  
8 Exchange Act of 1934 (15 U.S.C. 78l(g)(1)) is amended—

9 (1) in subparagraph (A)(i), by inserting after  
10 “persons” the following: “(that are not a qualified in-  
11 stitutional buyer or an institutional accredited inves-  
12 tor)”; and

13 (2) in subparagraph (B), by inserting after “per-  
14 sons” the following: “(that are not a qualified institu-  
15 tional buyer or an institutional accredited investor)”.

16 (b) *NONAPPLICABILITY OF GENERAL EXEMPTIVE AU-*  
17 *THORITY.*—Section 36 of the Securities Exchange Act of  
18 1934 (15 U.S.C. 78mm) shall not apply to the matter in-  
19 serted by the amendments made by subsection (a).

1                   **TITLE VI—EXPAND WKSI**  
2                   **ELIGIBILITY**

3 **SEC. 1601. DEFINITION OF WELL-KNOWN SEASONED**  
4                   **ISSUER.**

5           *For purposes of the Federal securities laws, and regu-*  
6 *lations issued thereunder, an issuer shall be a “well-known*  
7 *seasoned issuer” if—*

8                   (1) *the aggregate market value of the voting and*  
9                   *non-voting common equity held by non-affiliates of*  
10                   *the issuer is \$250,000,000 or more (as determined*  
11                   *under Form S-3 general instruction I.B.1. as in ef-*  
12                   *fect on the date of enactment of this Act); and*

13                   (2) *the issuer otherwise satisfies the requirements*  
14                   *of the definition of “well-known seasoned issuer” con-*  
15                   *tained in section 230.405 of title 17, Code of Federal*  
16                   *Regulations without reference to any requirement in*  
17                   *such definition relating to minimum worldwide mar-*  
18                   *ket value of outstanding voting and non-voting com-*  
19                   *mon equity held by non-affiliates.*

1 **TITLE VII—SMALLER REPORT-**  
2 **ING COMPANY, ACCELERATED**  
3 **FILER, AND LARGE ACCELER-**  
4 **ATED FILER THRESHOLDS**

5 **SEC. 1701. SMALLER REPORTING COMPANY, ACCELERATED**  
6 **FILER, AND LARGE ACCELERATED FILER**  
7 **THRESHOLDS.**

8 *(a) SMALLER REPORTING COMPANIES.—*

9 *(1) IN GENERAL.—The Securities and Exchange*  
10 *Commission shall revise the definition of a “smaller*  
11 *reporting company” under section 229.10(f)(1) of title*  
12 *17, Code of Federal Regulations—*

13 *(A) in paragraph (i), by adjusting the pub-*  
14 *lic float threshold from \$250,000,000 to*  
15 *\$500,000,000; and*

16 *(B) in paragraph (i)—*

17 *(i) by adjusting the annual revenue*  
18 *threshold from \$100,000,000 to*  
19 *\$250,000,000; and*

20 *(ii) in paragraph (B), by adjusting the*  
21 *public float threshold from \$700,000,000 to*  
22 *\$900,000,000.*

23 *(2) USE OF THREE-YEAR ROLLING AVERAGE AN-*  
24 *NUAL REVENUES.—The Securities and Exchange*  
25 *Commission shall revise paragraphs (1)(i) and*

1       (2)(iii)(B) under the definition of “smaller reporting  
2       company” under section 229.10(f)(1) of title 17, Code  
3       of Federal Regulations, by substituting “three-year  
4       rolling average annual revenues” for “annual reve-  
5       nues”.

6               (3) *CONFORMING CHANGES.*—*The Securities and*  
7       *Exchange Commission shall revise the definition of a*  
8       *“smaller reporting company” under sections 230.405*  
9       *and 240.12b–2 of title 17, Code of Federal Regula-*  
10       *tions, and any other rule of the Commission in the*  
11       *same manner as such definition is revised under*  
12       *paragraphs (1) and (2).*

13       (b) *ACCELERATED FILERS AND LARGE ACCELERATED*  
14       *FILERS.*—

15               (1) *LARGE ACCELERATED FILER.*—*The Securi-*  
16       *ties and Exchange Commission shall revise the defini-*  
17       *tion of a “large accelerated filer” under section*  
18       *240.12b–2(2) of title 17, Code of Federal Regulations,*  
19       *to increase the threshold amount (for the aggregate*  
20       *worldwide market value of the voting and non-voting*  
21       *common equity held by non-affiliates of an issuer)*  
22       *from \$700,000,000 to \$750,000,000.*

23               (2) *THRESHOLD TO EXIT ACCELERATED FILER*  
24       *STATUS.*—*The Securities and Exchange Commission*  
25       *shall revise section 240.12b–2(3)(ii) of title 17, Code*

1 of Federal Regulations, to increase the threshold  
2 amount (for the aggregate worldwide market value of  
3 the voting and non-voting common equity held by  
4 non-affiliates of an issuer) at which an issuer is no  
5 longer an accelerated filer from \$60,000,000 to  
6 \$75,000,000.

7 (3) *THRESHOLD TO EXIT LARGE ACCELERATED*  
8 *FILER STATUS.*—The Securities and Exchange Com-  
9 mission shall revise section 240.12b–2(3)(iii) of title  
10 17, Code of Federal Regulations, to increase the  
11 threshold amount (for the aggregate worldwide market  
12 value of the voting and non-voting common equity  
13 held by non-affiliates of an issuer) at which an issuer  
14 is no longer a large accelerated filer from  
15 \$560,000,000 to \$750,000,000.

16 (4) *EXCLUSION OF SMALLER REPORTING COMPA-*  
17 *NIES.*—The Securities and Exchange Commission  
18 shall revise the definitions of an “accelerated filer”  
19 and a “large accelerated filer” under paragraphs (1)  
20 and (2) of section 240.12b–2 of title 17, Code of Fed-  
21 eral Regulations, respectively, to exclude any issuer  
22 that is a smaller reporting company, as defined under  
23 section 229.10(f)(1) of title 17, Code of Federal Regu-  
24 lations.

1 **DIVISION B—HELPING SMALL**  
2 **BUSINESSES AND ENTRE-**  
3 **PRENEURS**  
4 **TITLE I—UNLOCKING CAPITAL**  
5 **FOR SMALL BUSINESSES**

6 **SEC. 2101. SHORT TITLE.**

7 *This title may be cited as the “Unlocking Capital for*  
8 *Small Businesses Act of 2023”.*

9 **SEC. 2102. SAFE HARBORS FOR PRIVATE PLACEMENT BRO-**  
10 **KERS AND FINDERS.**

11 *(a) IN GENERAL.—Section 15 of the Securities Ex-*  
12 *change Act of 1934 (15 U.S.C. 78o) is amended by adding*  
13 *at the end the following:*

14 *“(p) PRIVATE PLACEMENT BROKER SAFE HARBOR.—*

15 *“(1) REGISTRATION REQUIREMENTS.—Not later*  
16 *than 180 days after the date of the enactment of this*  
17 *subsection the Commission shall promulgate regula-*  
18 *tions with respect to private placement brokers that*  
19 *are no more stringent than those imposed on funding*  
20 *portals.*

21 *“(2) NATIONAL SECURITIES ASSOCIATIONS.—Not*  
22 *later than 180 days after the date of the enactment*  
23 *of this subsection the Commission shall promulgate*  
24 *regulations that require the rules of any national se-*  
25 *curities association to allow a private placement*

1 *broker to become a member of such national securities*  
2 *association subject to reduced membership require-*  
3 *ments consistent with this subsection.*

4 “(3) *DISCLOSURES REQUIRED.—Before effecting*  
5 *a transaction, a private placement broker shall dis-*  
6 *close clearly and conspicuously, in writing, to all*  
7 *parties to the transaction as a result of the broker’s*  
8 *activities—*

9 “(A) *that the broker is acting as a private*  
10 *placement broker;*

11 “(B) *the amount of any payment or antici-*  
12 *ipated payment for services rendered as a private*  
13 *placement broker in connection with such trans-*  
14 *action;*

15 “(C) *the person to whom any such payment*  
16 *is made; and*

17 “(D) *any beneficial interest in the issuer,*  
18 *direct or indirect, of the private placement*  
19 *broker, of a member of the immediate family of*  
20 *the private placement broker, of an associated*  
21 *person of the private placement broker, or of a*  
22 *member of the immediate family of such associ-*  
23 *ated person.*

1           “(4) *PRIVATE PLACEMENT BROKER DEFINED.*—

2           *In this subsection, the term ‘private placement broker’*

3           *means a person that—*

4                   “(A) *receives transaction-based compensa-*  
5                   *tion—*

6                           “(i) *for effecting a transaction by—*

7                                   “(I) *introducing an issuer of secu-*  
8                                   *rities and a buyer of such securities in*  
9                                   *connection with the sale of a business*  
10                                   *effected as the sale of securities; or*

11                                   “(II) *introducing an issuer of se-*  
12                                   *curities and a buyer of such securities*  
13                                   *in connection with the placement of se-*  
14                                   *curities in transactions that are ex-*  
15                                   *empt from registration requirements*  
16                                   *under the Securities Act of 1933; and*

17                                   “(ii) *that is not with respect to—*

18                                           “(I) *a class of publicly traded se-*  
19                                           *curities;*

20                                           “(II) *the securities of an invest-*  
21                                           *ment company (as defined in section 3*  
22                                           *of the Investment Company Act of*  
23                                           *1940); or*

1                   “(III) a variable or equity-in-  
2                   dexed annuity or other variable or eq-  
3                   uity-indexed life insurance product;

4                   “(B) with respect to a transaction for which  
5                   such transaction-based compensation is re-  
6                   ceived—

7                   “(i) does not handle or take possession  
8                   of the funds or securities; and

9                   “(ii) does not engage in an activity  
10                  that requires registration as an investment  
11                  adviser under State or Federal law; and

12                  “(C) is not a finder as defined under sub-  
13                  section (q).

14                  “(q) *FINDER SAFE HARBOR.*—

15                  “(1) *NONREGISTRATION.*—A finder is exempt  
16                  from the registration requirements of this Act.

17                  “(2) *NATIONAL SECURITIES ASSOCIATIONS.*—A  
18                  finder shall not be required to become a member of  
19                  any national securities association.

20                  “(3) *FINDER DEFINED.*—In this subsection, the  
21                  term ‘finder’ means a person described in paragraphs  
22                  (A) and (B) of subsection (p)(4) that—

23                  “(A) receives transaction-based compensa-  
24                  tion of equal to or less than \$500,000 in any cal-  
25                  endar year;

1           “(B) receives transaction-based compensa-  
2           tion in connection with transactions that result  
3           in a single issuer selling securities valued at  
4           equal to or less than \$15,000,000 in any cal-  
5           endar year;

6           “(C) receives transaction-based compensa-  
7           tion in connection with transactions that result  
8           in any combination of issuers selling securities  
9           valued at equal to or less than \$30,000,000 in  
10          any calendar year; or

11          “(D) receives transaction-based compensa-  
12          tion in connection with fewer than 16 trans-  
13          actions that are not part of the same offering or  
14          are otherwise unrelated in any calendar year.”.

15          (b) *VALIDITY OF CONTRACTS WITH REGISTERED PRI-*  
16 *VATE PLACEMENT BROKERS AND FINDERS.*—Section 29 of  
17 *the Securities Exchange Act of 1934 (15 U.S.C. 78cc)* is  
18 *amended by adding at the end the following:*

19          “(d) Subsection (b) shall not apply to a contract made  
20 *for a transaction if—*

21                 “(1) *the transaction is one in which the issuer*  
22 *engaged the services of a broker or dealer that is not*  
23 *registered under this Act with respect to such trans-*  
24 *action;*

1           “(2) such issuer received a self-certification from  
2 such broker or dealer certifying that such broker or  
3 dealer is a registered private placement broker under  
4 section 15(p) or a finder under section 15(q); and

5           “(3) the issuer either did not know that such self-  
6 certification was false or did not have a reasonable  
7 basis to believe that such self-certification was false.”.

8           (c) *REMOVAL OF PRIVATE PLACEMENT BROKERS*  
9 *FROM DEFINITIONS OF BROKER.*—

10           (1) *RECORDS AND REPORTS ON MONETARY IN-*  
11 *STRUMENTS TRANSACTIONS.*—Section 5312 of title 31,  
12 *United States Code*, is amended in subsection  
13 (a)(2)(G) by inserting “with the exception of a pri-  
14 vate placement broker as defined in section 15(p)(4)  
15 of the *Securities Exchange Act of 1934* (15 U.S.C.  
16 78o(p)(4))” before the semicolon at the end.

17           (2) *SECURITIES EXCHANGE ACT OF 1934.*—Sec-  
18 *tion 3(a)(4) of the Securities Exchange Act of 1934*  
19 *(15 U.S.C. 78c(a)(4))* is amended by adding at the  
20 end the following:

21           “(G) *PRIVATE PLACEMENT BROKERS.*—A  
22 private placement broker as defined in section  
23 15(p)(4) is not a broker for the purposes of this  
24 Act.”.

1 **SEC. 2103. LIMITATIONS ON STATE LAW.**

2 *Section 15(i) of the Securities Exchange Act of 1934*  
3 *(15 U.S.C. 78o(i)) is amended—*

4 *(1) by redesignating paragraphs (3) and (4) as*  
5 *paragraphs (4) and (5), respectively;*

6 *(2) by inserting after paragraph (2) the fol-*  
7 *lowing:*

8 *“(3) PRIVATE PLACEMENT BROKERS AND FIND-*  
9 *ERS.—*

10 *“(A) IN GENERAL.—No State or political*  
11 *subdivision thereof may enforce any law, rule,*  
12 *regulation, or other administrative action that*  
13 *imposes greater registration, audit, financial rec-*  
14 *ordkeeping, or reporting requirements on a pri-*  
15 *ivate placement broker or finder than those that*  
16 *are required under subsections (p) and (q), re-*  
17 *spectively.*

18 *“(B) DEFINITION OF STATE.—For purposes*  
19 *of this paragraph, the term ‘State’ includes the*  
20 *District of Columbia and each territory of the*  
21 *United States.”; and*

22 *(3) in paragraph (4), as so redesignated, by*  
23 *striking “paragraph (3)” and inserting “paragraph*  
24 *(5)”.*

1       **TITLE II—SMALL BUSINESS**  
2       **INVESTOR CAPITAL ACCESS**

3       **SEC. 2201. SHORT TITLE.**

4           *This title may be cited as the “Small Business Investor*  
5 *Capital Access Act”.*

6       **SEC. 2202. INFLATION ADJUSTMENT FOR THE EXEMPTION**  
7                   **THRESHOLD FOR CERTAIN INVESTMENT AD-**  
8                   **VISERS OF PRIVATE FUNDS.**

9           *Section 203(m) of the Investment Advisers Act of 1940*  
10 *(15 U.S.C. 80b–3(m)) is amended by adding at the end the*  
11 *following:*

12                   “(5) *INFLATION ADJUSTMENT.—The Commission*  
13 *shall adjust the dollar amount described under para-*  
14 *graph (1)—*

15                           “(A) *upon enactment of this paragraph, to*  
16 *reflect the change in the Consumer Price Index*  
17 *for All Urban Consumers published by the Bu-*  
18 *reau of Labor Statistics of the Department of*  
19 *Labor between the date of enactment of the Pri-*  
20 *vate Fund Investment Advisers Registration Act*  
21 *of 2010 and the date of enactment of this para-*  
22 *graph; and*

23                           “(B) *annually thereafter, to reflect the*  
24 *change in the Consumer Price Index for All*

1           *Urban Consumers published by the Bureau of*  
2           *Labor Statistics of the Department of Labor.”.*

3       **TITLE III—IMPROVING CAPITAL**  
4       **ALLOCATION FOR NEWCOMERS**

5       **SEC. 2301. SHORT TITLE.**

6           *This title may be cited as the “Improving Capital Allo-*  
7       *cation for Newcomers Act of 2023”.*

8       **SEC. 2302. QUALIFYING VENTURE CAPITAL FUNDS.**

9           *Section 3(c)(1) of the Investment Company Act of 1940*  
10       *(15 U.S.C. 80a–3(c)(1)) is amended—*

11           *(1) in the matter preceding subparagraph (A),*  
12       *by striking “250 persons” and inserting “600 per-*  
13       *sons”; and*

14           *(2) in subparagraph (C)(i), by striking*  
15       *“\$10,000,000” and inserting “\$150,000,000”.*

16       **TITLE IV—SMALL ENTRE-**  
17       **PRENEURS’ EMPOWERMENT**  
18       **AND DEVELOPMENT**

19       **SEC. 2401. SHORT TITLE.**

20           *This title may be cited as the “Small Entrepreneurs’*  
21       *Empowerment and Development Act of 2023” or the*  
22       *“SEED Act of 2023”.*

23       **SEC. 2402. MICRO-OFFERING EXEMPTION.**

24           *(a) IN GENERAL.—Section 4 of the Securities Act of*  
25       *1933 (15 U.S.C. 77d) is amended—*

1           (1) *in subsection (a), by adding at the end the*  
2           *following:*

3           “*(8) transactions meeting the requirements of*  
4           *subsection (f).”;* and

5           (2) *by adding at the end the following:*

6           “*(f) MICRO-OFFERINGS.—The transactions referred to*  
7           *in subsection (a)(8) are transactions involving the sale of*  
8           *securities by an issuer (including all entities controlled by*  
9           *or under common control with the issuer) where the aggregate*  
10           *amount of all securities sold by the issuer, including*  
11           *any amount sold in reliance on the exemption provided*  
12           *under subsection (a)(8), during the 12-month period pre-*  
13           *ceding such transaction, does not exceed \$250,000.”.*

14           (b) *DISQUALIFICATION.—*

15           (1) *IN GENERAL.—Not later than 270 days after*  
16           *the date of enactment of this Act, the Securities and*  
17           *Exchange Commission shall, by rule, establish dis-*  
18           *qualification provisions under which an issuer shall*  
19           *not be eligible to offer securities pursuant to section*  
20           *4(a)(8) of the Securities Act of 1933, as added by this*  
21           *section.*

22           (2) *INCLUSIONS.—Disqualification provisions re-*  
23           *quired by this subsection shall—*

24                   (A) *be substantially similar to the provi-*  
25                   *sions of section 230.506(d) of title 17, Code of*

1           *Federal Regulations (or any successor thereto);*  
2           *and*

3                   *(B) disqualify any offering or sale of securi-*  
4           *ties by a person that—*

5                           *(i) is subject to a final order of a cov-*  
6           *ered regulator that—*

7                                   *(I) bars the person from—*

8                                           *(aa) association with an en-*  
9                                           *tity regulated by the covered regu-*  
10                                           *lator;*

11                                           *(bb) engaging in the business*  
12                                           *of securities, insurance, or bank-*  
13                                           *ing; or*

14                                           *(cc) engaging in savings as-*  
15                                           *sociation or credit union activi-*  
16                                           *ties; or*

17                                           *(II) constitutes a final order based*  
18                                           *on a violation of any law or regulation*  
19                                           *that prohibits fraudulent, manipula-*  
20                                           *tive, or deceptive conduct, if such final*  
21                                           *order was issued within the previous*  
22                                           *10-year period; or*

23                                           *(ii) has been convicted of any felony or*  
24                                           *misdemeanor in connection with the pur-*  
25                                           *chase or sale of any security or involving*

1           *the making of any false filing with the*  
2           *Commission.*

3           (3) *COVERED REGULATOR DEFINED.*—*In this*  
4           *subsection, the term “covered regulator” means—*

5                   (A) *a State securities commission (or an*  
6                   *agency or officer of a State performing like func-*  
7                   *tions);*

8                   (B) *a State authority that supervises or ex-*  
9                   *amines banks, savings associations, or credit*  
10                   *unions;*

11                   (C) *a State insurance commission (or an*  
12                   *agency or officer of a State performing like func-*  
13                   *tions);*

14                   (D) *a Federal banking agency (as defined*  
15                   *under section 3 of the Federal Deposit Insurance*  
16                   *Act); and*

17                   (E) *the National Credit Union Administra-*  
18                   *tion.*

19           (c) *EXEMPTION UNDER STATE REGULATIONS.*—*Sec-*  
20           *tion 18(b)(4) of the Securities Act of 1933 (15 U.S.C.*  
21           *77r(b)(4)) is amended—*

22                   (1) *in subparagraph (F), by striking “or” at the*  
23                   *end;*

24                   (2) *in subparagraph (G), by striking the period*  
25                   *and inserting “; or”; and*

1           (3) by adding at the end the following:

2                   “(H) section 4(a)(8).”.

3                   **TITLE V—REGULATION A+**  
4                   **IMPROVEMENT**

5   **SEC. 2501. SHORT TITLE.**

6           This title may be cited as the “Regulation A+ Im-  
7   provement Act of 2023”.

8   **SEC. 2502. JOBS ACT-RELATED EXEMPTION.**

9           Section 3(b) of the Securities Act of 1933 (15 U.S.C.  
10 77c(b)) is amended—

11                   (1) in paragraph (2)(A), by striking  
12           “\$50,000,000” and inserting “\$150,000,000, adjusted  
13           for inflation by the Commission every 2 years to the  
14           nearest \$10,000 to reflect the change in the Consumer  
15           Price Index for All Urban Consumers published by  
16           the Bureau of Labor Statistics”; and

17                   (2) in paragraph (5)—

18                           (A) by striking “such amount as” and in-  
19                           serting: “such amount, in addition to the adjust-  
20                           ment for inflation provided for under such para-  
21                           graph (2)(A), as”; and

22                           (B) by striking “such amount, it” and in-  
23                           serting “such amount, in addition to the adjust-  
24                           ment for inflation provided for under such para-  
25                           graph (2)(A), it”.

1 **TITLE VI—DEVELOPING AND EM-**  
2 **POWERING OUR ASPIRING**  
3 **LEADERS**

4 **SEC. 2601. SHORT TITLE.**

5 *This title may be cited as the “Developing and Em-*  
6 *powering our Aspiring Leaders Act of 2023” or the “DEAL*  
7 *Act of 2023”.*

8 **SEC. 2602. DEFINITIONS.**

9 *Not later than the end of the 180-day period beginning*  
10 *on the date of the enactment of this Act, the Securities and*  
11 *Exchange Commission shall, to the extent such revisions fa-*  
12 *cilitate capital formation without compromising investor*  
13 *protection—*

14 *(1) revise the definition of a qualifying invest-*  
15 *ment under paragraph (c) of section 275.203(l)–1 of*  
16 *title 17, Code of Federal Regulations—*

17 *(A) to include an equity security issued by*  
18 *a qualifying portfolio company, whether ac-*  
19 *quired directly from the company or in a sec-*  
20 *ondary acquisition; and*

21 *(B) to specify that an investment in another*  
22 *venture capital fund is a qualifying investment*  
23 *under such definition; and*

24 *(2) revise paragraph (a) of such section to re-*  
25 *quire, as a condition of a private fund qualifying as*

1        *a venture capital fund under such paragraph, that*  
2        *the qualifying investments of the private fund are ei-*  
3        *ther—*

4                *(A) predominantly qualifying investments*  
5                *that were acquired directly from a qualifying*  
6                *portfolio company; or*

7                *(B) predominantly qualifying investments*  
8                *in another venture capital fund or other venture*  
9                *capital funds.*

10 **SEC. 2603. REPORTS.**

11        *(a) GAO REPORT.—The Comptroller General of the*  
12        *United States shall issue a report to Congress on the risks*  
13        *and impacts of concentrated sectoral counterparty risk in*  
14        *the banking sector, in light of the failure of Silicon Valley*  
15        *Bank.*

16        *(b) ADVOCATE FOR SMALL BUSINESS CAPITAL FORMA-*  
17        *TION REPORT.—The Advocate for Small Business Capital*  
18        *Formation shall issue a report to Congress and the Securi-*  
19        *ties and Exchange Commission—*

20                *(1) examining the access to banking services for*  
21                *venture funds and companies funded by venture cap-*  
22                *ital, in light of the failure of Silicon Valley Bank, es-*  
23                *pecially those funds and companies located outside of*  
24                *the established technology and venture capital hubs of*  
25                *California, Massachusetts, and New York; and*



1           (2) by inserting after paragraph (2) the fol-  
2           lowing:

3           “(3) *LIABILITY OF FUNDING PORTALS.*—For the  
4           purposes of this subsection, a funding portal, as that  
5           term is defined in section 3(a) of the Securities Ex-  
6           change Act of 1934 (15 U.S.C. 78c(a)), shall not be  
7           considered to be an issuer unless, in connection with  
8           the offer or sale of a security, the funding portal  
9           knowingly—

10           “(A) makes any untrue statement of a ma-  
11           terial fact or omits to state a material fact in  
12           order to make the statements made, in light of  
13           the circumstances under which they are made,  
14           not misleading; or

15           “(B) engages in any act, practice, or course  
16           of business which operates or would operate as a  
17           fraud or deceit upon any person.”.

18           (c) *APPLICABILITY OF BANK SECRECY ACT REQUIRE-*  
19           *MENTS.*—

20           (1) *SECURITIES ACT OF 1933.*—Section 4A(a) of  
21           the Securities Act of 1933 (15 U.S.C. 77d–1(a)) is  
22           amended—

23           (A) in paragraph (11), by striking “and”  
24           at the end;

1           (B) in paragraph (12), by striking the pe-  
2           riod at the end and inserting “; and”; and

3           (C) by adding at the end the following:

4           “(13) not be subject to the recordkeeping and re-  
5           porting requirements relating to monetary instru-  
6           ments under subchapter II of chapter 53 of title 31,  
7           United States Code.”.

8           (2) TITLE 31, UNITED STATES CODE.—Section  
9           5312 of title 31, United States Code, is amended by  
10          striking subsection (c) and inserting the following:

11          “(c) ADDITIONAL CLARIFICATION.—The term ‘finan-  
12          cial institution’ (as defined in subsection (a))—

13                 “(1) includes any futures commission merchant,  
14                 commodity trading advisor, or commodity pool oper-  
15                 ator registered, or required to register, under the  
16                 Commodity Exchange Act (7 U.S.C. 1 et seq.); and

17                 “(2) does not include a funding portal, as that  
18                 term is defined in section 3(a) of the Securities Ex-  
19                 change Act of 1934 (15 U.S.C. 78c(a)).”.

20          (d) PROVISION OF IMPERSONAL INVESTMENT ADVICE  
21          AND RECOMMENDATIONS.—Section 3(a) of the Securities  
22          Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended—

23                 (1) by redesignating the second paragraph (80)  
24                 (relating to funding portals) as paragraph (81); and

1           (2) in paragraph (81)(A), as so redesignated, by  
2           inserting after “recommendations” the following:  
3           “(other than by providing impersonal investment ad-  
4           vice by means of written material, or an oral state-  
5           ment, that does not purport to meet the objectives or  
6           needs of a specific individual or account)”.

7           (e) *TARGET AMOUNTS OF CERTAIN EXEMPTED OFFER-*  
8 *INGS.—The Securities and Exchange Commission shall*  
9 *amend paragraph (t)(1) of section 227.201 of title 17, Code*  
10 *of Federal Regulations so that such paragraph applies with*  
11 *respect to an issuer offering or selling securities in reliance*  
12 *on section 4(a)(6) of the Securities Act of 1933 (15 U.S.C.*  
13 *77d(a)(6)) if—*

14           (1) *the offerings of such issuer, together with all*  
15 *other amounts sold under such section 4(a)(6) within*  
16 *the preceding 12-month period, have, in the aggregate,*  
17 *a target amount of more than \$124,000 but not more*  
18 *than \$250,000;*

19           (2) *the financial statements of such issuer that*  
20 *have either been reviewed or audited by a public ac-*  
21 *countant that is independent of the issuer are un-*  
22 *available at the time of filing; and*

23           (3) *such issuer provides a statement that finan-*  
24 *cial information certified by the principal executive*  
25 *officer of the issuer has been provided instead of fi-*

1        *nancial statements reviewed by a public accountant*  
2        *that is independent of the issuer.*

3        *(f) EXEMPTION AVAILABLE TO INVESTMENT COMPA-*  
4        *NIES.—Section 4A(f) of the Securities Act of 1933 (15*  
5        *U.S.C. 77d–1(f)) is amended—*

6                *(1) in paragraph (2), by inserting “or” after the*  
7        *semicolon;*

8                *(2) by striking paragraph (3); and*

9                *(3) by redesignating paragraph (4) as para-*  
10        *graph (3).*

11        *(g) NON-ACCREDITED INVESTOR REQUIREMENTS.—*  
12        *Section 4(a)(6) of the Securities Act of 1933 (15 U.S.C.*  
13        *77d(a)(6)) is amended—*

14                *(1) in subparagraph (A), by striking*  
15        *“\$1,000,000” and inserting “\$10,000,000”; and*

16                *(2) in subparagraph (B), by striking “does not*  
17        *exceed” and all that follows through “more than*  
18        *\$100,000” and inserting “does not exceed 10 percent*  
19        *of the annual income or net worth of such investor”.*

20        *(h) TECHNICAL CORRECTION.—The Securities Act of*  
21        *1933 (15 U.S.C. 77a et seq.) is amended—*

22                *(1) by striking the term “section 4(6)” each place*  
23        *such term appears and inserting “section 4(a)(6)”;*

1           (2) *by striking the term “section 4(6)(B)” each*  
 2           *place such term appears and inserting “section*  
 3           *4(a)(6)(B)”;* and

4           (3) *in section 4A(f), by striking “Section 4(6)”*  
 5           *and inserting “Section 4(a)(6)”.*

6           ***TITLE VIII—RESTORING THE***  
 7           ***SECONDARY TRADING MARKET***

8           ***SEC. 2801. SHORT TITLE.***

9           *This title may be cited as the “Restoring the Secondary*  
 10          *Trading Market Act”.*

11          ***SEC. 2802. EXEMPTION FROM STATE REGULATION.***

12          *Section 18(a) of the Securities Act of 1933 (15 U.S.C.*  
 13          *77r(a)) is amended—*

14                 (1) *in paragraph (2), by striking “or” at the*  
 15                 *end;*

16                 (2) *in paragraph (3), by striking the period at*  
 17                 *the end and inserting “; or”;* and

18                 (3) *by adding at the end the following:*

19                         *“(4) shall directly or indirectly prohibit, limit,*  
 20                         *or impose any conditions upon the off-exchange sec-*  
 21                         *ondary trading (as such term is defined by the Com-*  
 22                         *mission) in securities of an issuer that makes current*  
 23                         *information publicly available, including—*

24                                 *“(A) the information required in the peri-*  
 25                                 *odic and current reports described under para-*

1           *graph (b) of section 230.257 of title 17, Code of*  
2           *Federal Regulations; or*

3           *“(B) the documents and information re-*  
4           *quired with respect to Tier 2 offerings, as defined*  
5           *in section 230.251(a) of title 17, Code of Federal*  
6           *Regulations.”.*

7           ***DIVISION C—INCREASING***  
8           ***ACCESS TO PRIVATE MARKETS***  
9           ***TITLE I—GIG WORKER EQUITY***  
10           ***COMPENSATION***

11       ***SEC. 3101. SHORT TITLE.***

12           *This title may be cited as the “Gig Worker Equity*  
13           *Compensation Act”.*

14       ***SEC. 3102. EXTENSION OF RULE 701.***

15           *(a) IN GENERAL.—The exemption provided under sec-*  
16           *tion 230.701 of title 17, Code of Federal Regulations, shall*  
17           *apply to individuals (other than employees) providing*  
18           *goods for sale, labor, or services for remuneration to either*  
19           *an issuer or to customers of an issuer to the same extent*  
20           *as such exemptions apply to employees of the issuer. For*  
21           *purposes of the previous sentence, the term “customers”*  
22           *may, at the election of an issuer, include users of the issuer’s*  
23           *platform.*

24           *(b) ADJUSTMENT FOR INFLATION.—The Securities and*  
25           *Exchange Commission shall annually adjust the dollar fig-*

1 *ure under section 230.701(e) of title 17, Code of Federal*  
2 *Regulations, to reflect the percentage change in the Con-*  
3 *sumer Price Index for All Urban Consumers published by*  
4 *the Bureau of Labor Statistics of the Department of Labor.*

5 *(c) RULEMAKING.—The Securities and Exchange Com-*  
6 *mission—*

7 *(1) shall revise section 230.701 of title 17, Code*  
8 *of Federal Regulations, to reflect the requirements of*  
9 *this section; and*

10 *(2) may not revise such section 230.701 in any*  
11 *manner that would have the effect of restricting access*  
12 *to equity compensation for employees or individuals*  
13 *described under subsection (a).*

14 **SEC. 3103. PREEMPTION OF CERTAIN PROVISIONS OF**  
15 **STATE LAW.**

16 *Any provision of a State law with respect to wage*  
17 *rates or benefits that creates a presumption that an indi-*  
18 *vidual providing goods for sale, labor, or services for remu-*  
19 *neration for a person is an employee of such person under*  
20 *such law is preempted.*

21 **SEC. 3104. GAO STUDY.**

22 *Not later than the end of the 3-year period beginning*  
23 *on the date of enactment of this Act, the Comptroller Gen-*  
24 *eral of the United States shall carry out a study on the*

1 *effects of this title and submit a report on such study to*  
 2 *the Congress.*

3 **TITLE II—INVESTMENT**  
 4 **OPPORTUNITY EXPANSION**

5 **SEC. 3201. SHORT TITLE.**

6 *This title may be cited as the “Investment Opportunity*  
 7 *Expansion Act”.*

8 **SEC. 3202. INVESTMENT THRESHOLDS TO QUALIFY AS AN**  
 9 **ACCREDITED INVESTOR.**

10 *Section 2(a)(15) of the Securities Act of 1933 (15*  
 11 *U.S.C. 77b(a)(15)) is amended—*

12 *(1) by striking “(15) The term ‘accredited inves-*  
 13 *tor’ shall mean—” and inserting the following:*

14 *“(15) ACCREDITED INVESTOR.—*

15 *“(A) IN GENERAL.—The term ‘accredited*  
 16 *investor’ means—”;*

17 *(2) in clause (i), by striking “or” at the end;*

18 *(3) in clause (ii), by striking the period at the*  
 19 *end and inserting a semicolon; and*

20 *(4) by adding at the end the following:*

21 *“(iii) with respect to a proposed trans-*  
 22 *action, any individual whose aggregate in-*  
 23 *vestment, at the completion of such trans-*  
 24 *action, in securities with respect to which*

1           *there has not been a public offering is not*  
2           *more than 10 percent of the greater of—*

3                     *“(I) the net assets of the indi-*  
4                     *vidual; or*

5                     *“(II) the annual income of the in-*  
6                     *dividual;”.*

7           ***TITLE III—RISK DISCLOSURE***  
8           ***AND INVESTOR ATTESTATION***

9           ***SEC. 3301. SHORT TITLE.***

10           *This title may be cited as the “Risk Disclosure and*  
11 *Investor Attestation Act”.*

12           ***SEC. 3302. INVESTOR ATTESTATION.***

13           *(a) IN GENERAL.—Section 2(a)(15) of the Securities*  
14 *Act of 1933 (15 U.S.C. 77b(a)(15)), as amended by section*  
15 *3202, is further amended by adding at the end the fol-*  
16 *lowing:*

17                     *“(iv) with respect to an issuer, any in-*  
18                     *dividual that has attested to the issuer that*  
19                     *the individual understands the risks of in-*  
20                     *vestment in private issuers, using such form*  
21                     *as the Commission shall establish, by rule,*  
22                     *but which form may not be longer than 2*  
23                     *pages in length; or”.*

24           *(b) RULEMAKING.—Not later than the end of the 1-*  
25 *year period beginning on the date of enactment of this Act,*

1 *the Securities and Exchange Commission shall issue rules*  
2 *to carry out the amendments made by subsection (a), in-*  
3 *cluding establishing the form required under such amend-*  
4 *ments.*

5 **TITLE IV—ACCREDITED INVES-**  
6 **TORS INCLUDE INDIVIDUALS**  
7 **RECEIVING ADVICE FROM**  
8 **CERTAIN PROFESSIONALS**

9 **SEC. 3401. ACCREDITED INVESTORS INCLUDE INDIVIDUALS**  
10 **RECEIVING ADVICE FROM CERTAIN PROFES-**  
11 **SIONALS.**

12 *(a) SECURITIES ACT OF 1933.—Section 2(a)(15) of the*  
13 *Securities Act of 1933 (15 U.S.C. 77b(a)(15)), as amended*  
14 *by sections 3202 and 3302, is further amended by adding*  
15 *at the end the following:*

16 *“(v) any individual receiving individ-*  
17 *ualized investment advice or individualized*  
18 *investment recommendations with respect to*  
19 *the applicable transaction from an indi-*  
20 *vidual described under section*  
21 *203.501(a)(10) of title 17, Code of Federal*  
22 *Regulations.*

23 *“(B) DEFINITIONS.—In subparagraph*  
24 *(A)(v):*

1                   “(i) *INVESTMENT ADVICE.*—*The term*  
2                   *‘investment advice’ shall be interpreted con-*  
3                   *sistently with the interpretation of the*  
4                   *phrase ‘engages in the business of advising*  
5                   *others, either directly or through publica-*  
6                   *tions or writings, as to the value of securi-*  
7                   *ties or as to the advisability of investing in,*  
8                   *purchasing, or selling securities’ under sec-*  
9                   *tion 202(a)(11) of the Investment Advisers*  
10                  *Act of 1940 (15 U.S.C. 80b–2(a)(11)).*

11                  “(ii) *INVESTMENT RECOMMENDA-*  
12                  *TION.*—*The term ‘investment recommenda-*  
13                  *tion’ shall be interpreted consistently with*  
14                  *the interpretation of the term ‘recommenda-*  
15                  *tion’ under section 240.15l-1 of title 17,*  
16                  *Code of Federal Regulations.”.*

17                  “(b) *CONFORMING CHANGES TO REGULATIONS.*—*The*  
18                  *Securities and Exchange Commission shall revise section*  
19                  *203.501(a) of title 17, Code of Federal Regulations, and any*  
20                  *other definition of “accredited investor” in a rule of the*  
21                  *Commission in the same manner as such definition is re-*  
22                  *vised under subsection (a).*

Union Calendar No. 112

118<sup>TH</sup> CONGRESS  
1<sup>ST</sup> Session

**H. R. 2799**

[Report No. 118-143, Part I]

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**A BILL**

To make reforms to the capital markets of the  
United States, and for other purposes.

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JULY 17, 2023

Reported from the Committee on Financial Services with  
an amendment

JULY 17, 2023

Committee on Education and the Workforce discharged;  
committed to the Committee of the Whole House on  
the State of the Union and ordered to be printed