

112TH CONGRESS  
1ST SESSION

# H. R. 2930

To amend the securities laws to provide for registration exemptions for certain crowdfunded securities, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 14, 2011

Mr. MCHENRY introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To amend the securities laws to provide for registration exemptions for certain crowdfunded securities, 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.**

4 This Act may be cited as the “Entrepreneur Access  
5 to Capital Act”.

6 **SEC. 2. CROWDFUNDING EXEMPTION.**

7 (a) SECURITIES ACT OF 1933.—Section 4 of the Se-  
8 curities Act of 1933 (15 U.S.C. 77d) is amended by add-  
9 ing at the end the following:

1           “(6) transactions involving the issuance of secu-  
2           rities for which—

3                   “(A) the aggregate annual amount raised  
4                   through the issue of the securities is  
5                   \$5,000,000 or less; and

6                   “(B) individual investments in the securi-  
7                   ties are limited to an aggregate annual amount  
8                   equal to the lesser of—

9                           “(i) \$10,000; and

10                           “(ii) 10 percent of the investor’s an-  
11                           nual income.”.

12           (b) VERIFICATION OF INCOME.—For purposes of sec-  
13           tion 4(6) of the Securities Act of 1933, an issuer may rely  
14           on certifications provided by investors.

15   **SEC. 3. EXCLUSION OF CROWDFUNDING INVESTORS FROM**  
16                   **SHAREHOLDER CAP.**

17           Section 12(g)(5) of the Securities Exchange Act of  
18           1934 (15 U.S.C. 78l(g)(5)) is amended—

19                   (1) by striking “For the purposes” and insert-  
20                   ing:

21                           “(A) IN GENERAL.—For the purposes”;

22                   and

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

24                           “(B) EXCLUSION FOR PERSONS HOLDING  
25                           CERTAIN SECURITIES.—For purposes of this

1 subsection, the term ‘held of record’ shall not  
2 include holders of securities issued pursuant to  
3 transactions described under section 4(6) of the  
4 Securities Act of 1933.”.

5 **SEC. 4. PREEMPTION OF STATE LAW.**

6 Section 18(b)(4) of the Securities Act of 1933 (15  
7 U.S.C. 77r(b)(4)) is amended—

8 (1) by redesignating subparagraphs (C) and  
9 (D) as (D) and (E), respectively; and

10 (2) by inserting after subparagraph (B) the fol-  
11 lowing:

12 “(C) section 4(6);”.

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