

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.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 14, 2011

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

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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