

114<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 2187

---

## AN ACT

To direct the Securities and Exchange Commission to revise its regulations regarding the qualifications of natural persons as accredited investors.

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 “Fair Investment Op-  
3 portunities for Professional Experts Act”.

4 **SEC. 2. DEFINITION OF ACCREDITED INVESTOR.**

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

7 (1) by redesignating clauses (i) and (ii) as sub-  
8 paragraphs (A) and (F), respectively; and

9 (2) in subparagraph (A) (as so redesignated),  
10 by striking “; or” and inserting a semicolon, and in-  
11 serting after such subparagraph the following:

12 “(B) any natural person whose individual  
13 net worth, or joint net worth with that person’s  
14 spouse, exceeds \$1,000,000 (which amount,  
15 along with the amounts set forth in subpara-  
16 graph (C), shall be adjusted for inflation by the  
17 Commission every 5 years to the nearest  
18 \$10,000 to reflect the change in the Consumer  
19 Price Index for All Urban Consumers published  
20 by the Bureau of Labor Statistics) where, for  
21 purposes of calculating net worth under this  
22 subparagraph—

23 “(i) the person’s primary residence  
24 shall not be included as an asset;

25 “(ii) indebtedness that is secured by  
26 the person’s primary residence, up to the

1           estimated fair market value of the primary  
2           residence at the time of the sale of securi-  
3           ties, shall not be included as a liability (ex-  
4           cept that if the amount of such indebted-  
5           ness outstanding at the time of sale of se-  
6           curities exceeds the amount outstanding 60  
7           days before such time, other than as a re-  
8           sult of the acquisition of the primary resi-  
9           dence, the amount of such excess shall be  
10          included as a liability); and

11           “(iii) indebtedness that is secured by  
12          the person’s primary residence in excess of  
13          the estimated fair market value of the pri-  
14          mary residence at the time of the sale of  
15          securities shall be included as a liability;

16           “(C) any natural person who had an indi-  
17          vidual income in excess of \$200,000 in each of  
18          the 2 most recent years or joint income with  
19          that person’s spouse in excess of \$300,000 in  
20          each of those years and has a reasonable expec-  
21          tation of reaching the same income level in the  
22          current year;

23           “(D) any natural person who is currently  
24          licensed or registered as a broker or investment  
25          adviser by the Commission, the Financial In-

1 industry Regulatory Authority, or an equivalent  
2 self-regulatory organization (as defined in sec-  
3 tion 3(a)(26) of the Securities Exchange Act of  
4 1934), or the securities division of a State or  
5 the equivalent State division responsible for li-  
6 censing or registration of individuals in connec-  
7 tion with securities activities;

8 “(E) any natural person the Commission  
9 determines, by regulation, to have demonstrable  
10 education or job experience to qualify such per-  
11 son as having professional knowledge of a sub-  
12 ject related to a particular investment, and  
13 whose education or job experience is verified by  
14 the Financial Industry Regulatory Authority or  
15 an equivalent self-regulatory organization (as  
16 defined in section 3(a)(26) of the Securities Ex-  
17 change Act of 1934); or”.

Passed the House of Representatives February 1,  
2016.

Attest:

*Clerk.*



114<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R. 2187**

---

**AN ACT**

To direct the Securities and Exchange Commission to revise its regulations regarding the qualifications of natural persons as accredited investors.