

118TH CONGRESS
1ST SESSION

H. R. 2797

AN ACT

To amend the Securities Act of 1933 to require certification examinations for accredited investors, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Equal Opportunity for
3 All Investors Act of 2023”.

4 **SEC. 2. CERTIFICATION EXAMINATIONS FOR ACCREDITED**
5 **INVESTORS.**

6 (a) IN GENERAL.—The Securities and Exchange
7 Commission shall revise the definition of “accredited in-
8 vestor” under Regulation D (section 230.501 of title 15,
9 Code of Federal Regulations) to include any natural per-
10 son who is certified through the examination required
11 under subsection (b).

12 (b) ESTABLISHMENT OF EXAMINATION.—Not later
13 than 1 year after the date of the enactment of this Act,
14 the Securities and Exchange Commission shall establish
15 an examination (including a test, certification, or examina-
16 tion program)—

17 (1) to certify an individual as an accredited in-
18 vestor; and

19 (2) that—

20 (A) is designed with an appropriate level of
21 difficulty such that an individual with financial
22 sophistication would be unlikely to fail; and

23 (B) includes methods to determine whether
24 an individual seeking to be certified as an ac-
25 credited investor demonstrates competency with
26 respect to—

- 1 (i) the different types of securities;
- 2 (ii) the disclosure requirements under
- 3 the securities laws applicable to issuers
- 4 and private companies as compared to
- 5 public companies;
- 6 (iii) corporate governance;
- 7 (iv) financial statements and the com-
- 8 ponents of such statements;
- 9 (v) aspects of unregistered securities,
- 10 securities issued by private companies, and
- 11 investments into private funds, including
- 12 risks associated with—
 - 13 (I) limited liquidity;
 - 14 (II) limited disclosures;
 - 15 (III) variance in valuation meth-
 - 16 ods;
 - 17 (IV) information asymmetry;
 - 18 (V) leverage risks;
 - 19 (VI) concentration risk; and
 - 20 (VII) longer investment horizons;
- 21 (vi) potential conflicts of interest,
- 22 when the interests of the financial profes-
- 23 sionals and their clients are misaligned or
- 24 when their professional responsibilities are
- 25 compromised by financial motivations; and

1 (vii) other criteria the Commission de-
2 termines necessary or appropriate in the
3 public interest or for the protection of in-
4 vestors.

5 (c) ADMINISTRATION.—Beginning not later than 180
6 days after the date the examination is established under
7 subsection (b), such examination shall be administered
8 and offered free of charge to the public by a registered
9 national securities association under section 15A of the
10 Securities Exchange Act of 1934 (15 U.S.C. 78o–3).

Passed the House of Representatives May 31, 2023.

Attest:

Clerk.

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