

Union Calendar No. 85

119TH CONGRESS
1ST SESSION

H. R. 3394

[Report No. 119–115]

To amend the Securities Act of 1933 to codify certain qualifications of individuals as accredited investors for purposes of the securities laws.

IN THE HOUSE OF REPRESENTATIVES

MAY 14, 2025

Mr. HILL of Arkansas (for himself and Mr. VARGAS) introduced the following bill; which was referred to the Committee on Financial Services

JUNE 3, 2025

Additional sponsors: Mr. DAVIDSON and Mr. SESSIONS

JUNE 3, 2025

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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

[For text of introduced bill, see copy of bill as introduced on May 14, 2025]

A BILL

To amend the Securities Act of 1933 to codify certain qualifications of individuals as accredited investors for purposes of the securities laws.

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 “Fair Investment Oppor-*
 5 *tunities for Professional Experts Act”.*

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

7 *(a) IN GENERAL.—Section 2(a)(15) of the Securities*
 8 *Act of 1933 (15 U.S.C. 77b(a)(15)) is amended—*

9 *(1) by redesignating subparagraphs (i) and (ii)*
 10 *as subparagraphs (A) and (F), respectively; and*

11 *(2) in subparagraph (A) (as so redesignated), by*
 12 *striking “; or” and inserting a semicolon, and insert-*
 13 *ing after such subparagraph the following:*

14 *“(B) with respect to a proposed sale of a se-*
 15 *curity, any natural person whose individual net*
 16 *worth, or joint net worth with that person’s*
 17 *spouse or spousal equivalent, at the time of such*
 18 *sale, exceeds \$1,000,000 (which amount, along*
 19 *with the amounts set forth in subparagraph (C),*
 20 *shall be adjusted for inflation by the Commission*
 21 *every 5 years to the nearest \$10,000 to reflect the*
 22 *change in the Consumer Price Index for All*
 23 *Urban Consumers published by the Bureau of*
 24 *Labor Statistics) where, for purposes of calcu-*
 25 *lating net worth under this subparagraph—*

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

3 “(ii) indebtedness that is secured by
4 the person’s primary residence, up to the es-
5 timated fair market value of the primary
6 residence at the time of such sale, shall not
7 be included as a liability (except that if the
8 amount of such indebtedness outstanding at
9 the time of such sale exceeds the amount
10 outstanding 60 days before such time, other
11 than as a result of the acquisition of the
12 primary residence, the amount of such ex-
13 cess shall be included as a liability); and

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

19 “(C) any natural person who had an indi-
20 vidual income in excess of \$200,000 in each of
21 the 2 most recent years or joint income with that
22 person’s spouse or spousal equivalent in excess of
23 \$300,000 in each of those years and has a rea-
24 sonable expectation of reaching the same income
25 level in the current year;

1 “(D) any natural person who is—

2 “(i) currently licensed or registered as
3 a broker or investment adviser by the Com-
4 mission, a self-regulatory organization (as
5 defined in section 3(a) of the Securities Ex-
6 change Act of 1934), or the securities divi-
7 sion of a State, the District of Columbia, or
8 a territory of the United States or the
9 equivalent division responsible for licensing
10 or registration of individuals in connection
11 with securities activities; and

12 “(ii) in good standing with respect to
13 such licence or registration;

14 “(E) any natural person the Commission
15 determines, by regulation, to have demonstrable
16 education or job experience to qualify such per-
17 son as having professional knowledge of a subject
18 related to a particular investment, and whose
19 education or job experience is verified by a self-
20 regulatory organization (as defined in section
21 3(a) of the Securities Exchange Act of 1934);
22 or”.

23 (b) RULEMAKING.—Not later than 180 days after the
24 date of enactment of this Act, the Securities and Exchange
25 Commission shall revise the definition of accredited investor

- 1 *under Regulation D (17 CFR 230.500 et seq.) to conform*
- 2 *with the amendments made by subsection (a).*

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