119TH CONGRESS
1st Session

HOUSE OF REPRESENTATIVES

REPORT
119–203

AMENDMENT FOR CROWDFUNDING CAPITAL ENHANCEMENT AND SMALL-BUSINESS SUPPORT ACT OF 2025

JULY 15, 2025.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HILL of Arkansas, from the Committee on Financial Services, submitted the following

R E P O R T

[To accompany H.R. 3645]

The Committee on Financial Services, to whom was referred the bill (H.R. 3645) to amend the Securities Act of 1933 to raise the offering amount threshold for when issuers using the crowdfunding exemption are required to file financial statements reviewed by a public accountant who is independent of the issuer, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

CONTENTS

59–006

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Amendment for Crowdfunding Capital Enhancement and Small-business Support Act of 2025" or the "ACCESS Act of 2025".

SEC. 2. OFFERING THRESHOLD FOR REVIEWS BY PUBLIC ACCOUNTANT.

(a) IN GENERAL.—Section 4A of the Securities Act of 1933 (15 U.S.C. 77d–1) is amended—

(1) in subsection (b)(1)(D), by striking "$100,000" each place such term appears and inserting "$250,000"; and

(2) by adding at the end the following:

"(i) DISCRETION TO ADJUST AMOUNT.—The Commission may increase the amount specified in subsections (b)(1)(D)(i) and (b)(1)(D)(ii) from $250,000 to an amount not greater than $400,000 upon the recommendation of the Office of the Advocate for Small Business Capital Formation and the Office of the Investor Advocate.".

(b) TECHNICAL CORRECTIONS.—Section 4A of the Securities Act of 1933 (15 U.S.C. 77d–1) is amended—

(1) by striking "section 4(6)" each place such term appears and inserting "section 4(a)(6)"; and

(2) by striking "section 4(6)(B)" each place such term appears and inserting "section 4(a)(6)(B)".

PURPOSE AND SUMMARY

H.R. 3645, the *Amendment for Crowdfunding Capital Enhancement and Small-business Support (ACCESS) Act of 2025*, was introduced on May 29, 2025, by Representative Dan Meuser (PA–09). H.R. 3645 would amend the Securities *Act of 1933* to raise the offering amount threshold for when issuers using the crowdfunding exemption are required to file financial statements reviewed by a public accountant who is independent of the issuer.

BACKGROUND AND NEED FOR LEGISLATION

The *Jumpstart Our Business Startups (JOBS) Act of 2012* created an exemption for securities issued through crowdfunding from Securities and Exchange Commission (SEC) registration requirements. Regulation Crowdfunding (Regulation CF) has been useful for startups and small companies seeking to raise small amounts of money from individuals using the internet or internet-based funding platforms. Since 2016, Regulation CF has supported over 6,500 startups and raised nearly $2.4 billion in capital through 8,400 investment rounds for early-stage companies. However, in 2024, companies utilizing Regulation CF raised a total of $343.6 million—an 18 percent decrease compared to the $423 million raised in 2023.

Currently, issuers using the crowdfunding exemption must file financial statements reviewed by an independent public accountant when the offering amount is over $100,000. This requirement can be cost-prohibitive for smaller issuers, as the average cost to file these statements is around $10,000, representing a significant expense relative to the amount raised.

H.R. 3645 seeks to increase this threshold to $250,000. In an effort to provide relief to small businesses during the COVID–19 pandemic, the SEC temporarily raised the offering threshold requiring reviewed financial statements to $250,000. During that period, the crowdfunding program continued to work as designed, suggesting that a higher threshold could support small businesses without compromising investor protection.

Committee Consideration

119TH CONGRESS

On May 29, 2025, Representative Meuser introduced H.R. 3645, the *ACCESS Act*, with Representatives Monica De La Cruz (R–TX), Lisa McClain (R–MI), Zach Nunn (R–IA), and Maria Salazar (R–FL) as original cosponsors. The bill was referred solely to the Committee on Financial Services. The bill was attached to the February 26, 2025, hearing titled "The Future of American Capital: Strengthening Public and Private Markets by Increasing Investor Access and Facilitating Capital Formation" and the March 25, 2025, hearing titled "Beyond Silicon Valley: Expanding Access to Capital Across America."

On June 10, 2025, the Committee on Financial Services met in open session to consider, among others, H.R. 3645. The Committee ordered H.R. 3645, as amended, to be favorably reported to the House of Representatives.

118TH CONGRESS

On December 14, 2023, Representative Meuser introduced H.R. 6825, the *ACCESS Act of 2023*, with Representatives Bill Huizenga (R–MI), Pete Sessions (R–TX), and Nunn as original cosponsors. This bill is an earlier iteration of H.R. 3645. The bill was referred solely to the Committee on Financial Services.

Related Hearings

Pursuant to clause 3(c)(6) of rule XIII of the Rules of the House of Representatives, the following hearings were used to develop H.R. 3645:

The Capital Markets Subcommittee of the Committee on Financial Services held a February 26, 2025, hearing titled "The Future of American Capital: Strengthening Public and Private Markets by Increasing Investor Access and Facilitating Capital Formation" and the Full Committee held a March 25, 2025, hearing titled, "Beyond Silicon Valley: Expanding Access to Capital Across America." A discussion draft version of the bill was attached to both hearings. The following witnesses testified at the February 26, 2025, hearing: Mr. Andrew Barnell, CEO and Co-Founder, Geneoscopy; Mr. McKeever Conwell, Founder and Managing Partner, RareBreed Ventures; Ms. Rebecca Kacaba, CEO and Co-Founder, DealMaker; Ms. Anna Pinedo, Partner, Mayer Brown; and Ms. Alexandra Thornton, Senior Director, Financial Regulation, Center for American Progress. The following witnesses testified at the March 25, 2025, hearing: Mr. Steve Case, Chairman and CEO, Revolution LLC; Mr. Bill Newell, Senior Business Advisor & Former CEO, Sutro Biopharma; Ms. Candice Matthews Brackeen, General Partner, Lightship Capital; Mr. Joel Trotter, Partner, Latham & Watkins LLP; and Ms. Amanda Senn, Director of the Alabama Securities Commission.

Committee Votes

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee Report to include for each record vote on a motion to report the measure or matter and on any amendments offered to the measure or matter the total number of votes for and against and the names of the Members voting for and against.

On June 10, 2025, the Committee ordered H.R. 3645, as amended, to be reported favorably to the House by a recorded vote of 51 yeas and 0 nays, a quorum being present. (Record Vote No. FC–137).

Before the question to report was called, the Committee adopted an amendment in the nature of a substitute, designated HR3645__ANS, which lowered the offering threshold requiring reviewed financial statements from $500,000 to $250,000, offered by Representative Meuser. The amendment was adopted by voice vote, a quorum being present.

Committee on Financial Services

Markup 5
June 10, 2025

Bill: **H.R. 3645**
Measure: **H.R. 3645 (as amended)**
Amdt.

Motion: **to report favorably**

Record Vote No.
FC-137

Disposition: **AGREED TO (51-0)**

Member	Yea	Nay	Not Voting	Member	Yea	Nay	Not Voting
Chairman Hill	X			Ranking Member Waters	X		
Mr. Lucas	X			Ms. Velázquez	X		
Mr. Sessions	X			Mr. Sherman	X		
Mr. Huizenga	X			Mr. Meeks	X		
Mrs. Wagner	X			Mr. Scott	X		
Mr. Barr	X			Mr. Lynch	X		
Mr. Williams (TX)	X			Mr. Green (TX)	X		
Mr. Emmer	X			Mr. Cleaver	X		
Mr. Loudermilk	X			Mr. Himes	X		
Mr. Davidson	X			Mr. Foster	X		
Mr. Rose	X			Mrs. Beatty			X
Mr. Steil	X			Mr. Vargas	X		
Mr. Timmons	X			Mr. Gottheimer			X
Mr. Stutzman	X			Mr. Gonzalez	X		
Mr. Norman	X			Mr. Casten	X		
Mr. Meuser	X			Ms. Pressley	X		
Mrs. Kim	X			Ms. Tlaib	X		
Mr. Donalds	X			Mr. Torres (NY)	X		
Mr. Garbarino	X			Ms. Garcia (TX)	X		
Mr. Fitzgerald	X			Ms. Williams of GA	X		
Mr. Flood	X			Ms. Pettersen	X		
Mr. Lawler	X			Mr. Fields	X		
Ms. De La Cruz	X			Ms. Bynum			X
Mr. Ogles	X			Mr. Liccardo	X		
Mr. Nunn	X						
Mrs. McClain	X						
Ms. Salazar	X						
Mr. Downing	X						
Mr. Haridopolos	X						
Mr. Moore (NC)	X						
	30	**0**	**0**		**21**	**0**	**3**

Committee Totals:	**51**	**0**	**3**
	Yeas	Nays	Not Voting

Committee Oversight Findings

Pursuant to clause 3(c) of rule XIII of the Rules of the House of Representatives, the findings and recommendations of the Committee, based on oversight activities under clause 2(b)(1) of rule X of the Rules of the House of Representatives, are incorporated in the descriptive portions of this report.

Performance Goals and Objectives

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the goal of H.R. 3645 is to expand the number of companies that can raise capital under Regulation Crowdfunding without being required to file financial statements reviewed by a costly independent public accountant.

Committee Cost Estimate

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison of the costs that would be incurred in carrying out H.R. 3645. The Committee has requested but not received a cost estimate from the Director of the Congressional Budget Office. However, pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee will adopt as its own the cost estimate by the Director of the Congressional Budget Office once it has been prepared.

New Budget Authority and CBO Cost Estimate

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the *Congressional Budget Act of 1974* and with respect to requirements of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the *Congressional Budget Act of 1974*, a cost estimate was not made available to the Committee in time for the filing of this report. The Chairman of the Committee shall cause such estimate to be printed in the Congressional Record upon its receipt by the Committee.

Unfunded Mandates Statement

The Committee has requested but not received from the Director of the Congressional Budget Office an estimate of the Federal mandates pursuant to section 423 of the *Unfunded Mandates Reform Act*. The Committee will adopt the estimate once it has been prepared by the Director.

Earmark Statement

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the resolution and states that the provisions of the bill do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

Federal Advisory Committee Act Statement

No advisory committees within the meaning of section 5(b) of the *Federal Advisory Committee Act* were created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the *Congressional Accountability Act.*

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the bill establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of the Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

Section 1 provides the short title is the "Amendment for Crowdfunding Capital Enhancement and Small-business Support Act of 2025" or the "ACCESS Act of 2025".

Section 2. Offering threshold for reviews by public accountant

Section 2 raises the offering amount threshold at which issuers using the crowdfunding exemption must provide financial statements reviewed by an independent public accountant. Specifically, it increases the threshold from $100,000 to $250,000.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

SECURITIES ACT OF 1933

TITLE I—

*　　*　　*　　*　　*　　*　　*

SEC. 4A. REQUIREMENTS WITH RESPECT TO CERTAIN SMALL TRANSACTIONS.

(a) REQUIREMENTS ON INTERMEDIARIES.—A person acting as an intermediary in a transaction involving the offer or sale of securities for the account of others pursuant to ⟦section 4(6)⟧ *section 4(a)(6)* shall—

(1) register with the Commission as—

(A) a broker; or

(B) a funding portal (as defined in section 3(a)(80) of the Securities Exchange Act of 1934);

(2) register with any applicable self-regulatory organization (as defined in section 3(a)(26) of the Securities Exchange Act of 1934);

(3) provide such disclosures, including disclosures related to risks and other investor education materials, as the Commission shall, by rule, determine appropriate;

(4) ensure that each investor—

(A) reviews investor-education information, in accordance with standards established by the Commission, by rule;

(B) positively affirms that the investor understands that the investor is risking the loss of the entire investment, and that the investor could bear such a loss; and

(C) answers questions demonstrating—

(i) an understanding of the level of risk generally applicable to investments in startups, emerging businesses, and small issuers;

(ii) an understanding of the risk of illiquidity; and

(iii) an understanding of such other matters as the Commission determines appropriate, by rule;

(5) take such measures to reduce the risk of fraud with respect to such transactions, as established by the Commission, by rule, including obtaining a background and securities enforcement regulatory history check on each officer, director, and person holding more than 20 percent of the outstanding equity of every issuer whose securities are offered by such person;

(6) not later than 21 days prior to the first day on which securities are sold to any investor (or such other period as the Commission may establish), make available to the Commission and to potential investors any information provided by the issuer pursuant to subsection (b);

(7) ensure that all offering proceeds are only provided to the issuer when the aggregate capital raised from all investors is equal to or greater than a target offering amount, and allow all investors to cancel their commitments to invest, as the Commission shall, by rule, determine appropriate;

(8) make such efforts as the Commission determines appropriate, by rule, to ensure that no investor in a 12-month period has purchased securities offered pursuant to ⟦section 4(6)⟧ *section 4(a)(6)* that, in the aggregate, from all issuers, exceed the investment limits set forth in ⟦section 4(6)⟧ *section 4(a)(6)*(B);

(9) take such steps to protect the privacy of information collected from investors as the Commission shall, by rule, determine appropriate;

(10) not compensate promoters, finders, or lead generators for providing the broker or funding portal with the personal identifying information of any potential investor;

(11) prohibit its directors, officers, or partners (or any person occupying a similar status or performing a similar function) from having any financial interest in an issuer using its services; and

(12) meet such other requirements as the Commission may, by rule, prescribe, for the protection of investors and in the public interest.

(b) REQUIREMENTS FOR ISSUERS.—For purposes of ⟦section 4(6)⟧ *section 4(a)(6)*, an issuer who offers or sells securities shall—

(1) file with the Commission and provide to investors and the relevant broker or funding portal, and make available to potential investors—

(A) the name, legal status, physical address, and website address of the issuer;

(B) the names of the directors and officers (and any persons occupying a similar status or performing a similar function), and each person holding more than 20 percent of the shares of the issuer;

(C) a description of the business of the issuer and the anticipated business plan of the issuer;

(D) a description of the financial condition of the issuer, including, for offerings that, together with all other offerings of the issuer under **[**section 4(6)**]** *section 4(a)(6)* within the preceding 12-month period, have, in the aggregate, target offering amounts of—

(i) **[**$100,000**]** *$250,000* or less—

(I) the income tax returns filed by the issuer for the most recently completed year (if any); and

(II) financial statements of the issuer, which shall be certified by the principal executive officer of the issuer to be true and complete in all material respects;

(ii) more than **[**$100,000**]** *$250,000*, but not more than $500,000, financial statements reviewed by a public accountant who is independent of the issuer, using professional standards and procedures for such review or standards and procedures established by the Commission, by rule, for such purpose; and

(iii) more than $500,000 (or such other amount as the Commission may establish, by rule), audited financial statements;

(E) a description of the stated purpose and intended use of the proceeds of the offering sought by the issuer with respect to the target offering amount;

(F) the target offering amount, the deadline to reach the target offering amount, and regular updates regarding the progress of the issuer in meeting the target offering amount;

(G) the price to the public of the securities or the method for determining the price, provided that, prior to sale, each investor shall be provided in writing the final price and all required disclosures, with a reasonable opportunity to rescind the commitment to purchase the securities;

(H) a description of the ownership and capital structure of the issuer, including—

(i) terms of the securities of the issuer being offered and each other class of security of the issuer, including how such terms may be modified, and a summary of the differences between such securities, including how the rights of the securities being offered may be materially limited, diluted, or qualified by the rights of any other class of security of the issuer;

(ii) a description of how the exercise of the rights held by the principal shareholders of the issuer could negatively impact the purchasers of the securities being offered;

(iii) the name and ownership level of each existing shareholder who owns more than 20 percent of any class of the securities of the issuer;

(iv) how the securities being offered are being valued, and examples of methods for how such securities may be valued by the issuer in the future, including during subsequent corporate actions; and

(v) the risks to purchasers of the securities relating to minority ownership in the issuer, the risks associated with corporate actions, including additional issuances of shares, a sale of the issuer or of assets of the issuer, or transactions with related parties; and

(I) such other information as the Commission may, by rule, prescribe, for the protection of investors and in the public interest;

(2) not advertise the terms of the offering, except for notices which direct investors to the funding portal or broker;

(3) not compensate or commit to compensate, directly or indirectly, any person to promote its offerings through communication channels provided by a broker or funding portal, without taking such steps as the Commission shall, by rule, require to ensure that such person clearly discloses the receipt, past or prospective, of such compensation, upon each instance of such promotional communication;

(4) not less than annually, file with the Commission and provide to investors reports of the results of operations and financial statements of the issuer, as the Commission shall, by rule, determine appropriate, subject to such exceptions and termination dates as the Commission may establish, by rule; and

(5) comply with such other requirements as the Commission may, by rule, prescribe, for the protection of investors and in the public interest.

(c) LIABILITY FOR MATERIAL MISSTATEMENTS AND OMISSIONS.—

(1) ACTIONS AUTHORIZED.—

(A) IN GENERAL.—Subject to paragraph (2), a person who purchases a security in a transaction exempted by the provisions of ⟦section 4(6)⟧ *section 4(a)(6)* may bring an action against an issuer described in paragraph (2), either at law or in equity in any court of competent jurisdiction, to recover the consideration paid for such security with interest thereon, less the amount of any income received thereon, upon the tender of such security, or for damages if such person no longer owns the security.

(B) LIABILITY.—An action brought under this paragraph shall be subject to the provisions of section 12(b) and section 13, as if the liability were created under section 12(a)(2).

(2) APPLICABILITY.—An issuer shall be liable in an action under paragraph (1), if the issuer—

(A) by the use of any means or instruments of transportation or communication in interstate commerce or of the mails, by any means of any written or oral communication, in the offering or sale of a security in a transaction exempted by the provisions of [section 4(6)] *section 4(a)(6)*, makes an untrue statement of a material fact or omits to state a material fact required to be stated or necessary in order to make the statements, in the light of the circumstances under which they were made, not misleading, provided that the purchaser did not know of such untruth or omission; and

(B) does not sustain the burden of proof that such issuer did not know, and in the exercise of reasonable care could not have known, of such untruth or omission.

(3) DEFINITION.—As used in this subsection, the term "issuer" includes any person who is a director or partner of the issuer, and the principal executive officer or officers, principal financial officer, and controller or principal accounting officer of the issuer (and any person occupying a similar status or performing a similar function) that offers or sells a security in a transaction exempted by the provisions of [section 4(6)] *section 4(a)(6)*, and any person who offers or sells the security in such offering.

(d) INFORMATION AVAILABLE TO STATES.—The Commission shall make, or shall cause to be made by the relevant broker or funding portal, the information described in subsection (b) and such other information as the Commission, by rule, determines appropriate, available to the securities commission (or any agency or office performing like functions) of each State and territory of the United States and the District of Columbia.

(e) RESTRICTIONS ON SALES.—Securities issued pursuant to a transaction described in [section 4(6)] *section 4(a)(6)*—

(1) may not be transferred by the purchaser of such securities during the 1-year period beginning on the date of purchase, unless such securities are transferred—

(A) to the issuer of the securities;

(B) to an accredited investor;

(C) as part of an offering registered with the Commission; or

(D) to a member of the family of the purchaser or the equivalent, or in connection with the death or divorce of the purchaser or other similar circumstance, in the discretion of the Commission; and

(2) shall be subject to such other limitations as the Commission shall, by rule, establish.

(f) APPLICABILITY.—Section 4(6) shall not apply to transactions involving the offer or sale of securities by any issuer that—

(1) is not organized under and subject to the laws of a State or territory of the United States or the District of Columbia;

(2) is subject to the requirement to file reports pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934;

(3) is an investment company, as defined in section 3 of the Investment Company Act of 1940, or is excluded from the definition of investment company by section 3(b) or section 3(c) of that Act; or

(4) the Commission, by rule or regulation, determines appropriate.

(g) RULE OF CONSTRUCTION.—Nothing in this section or [section 4(6)] *section 4(a)(6)* shall be construed as preventing an issuer from raising capital through methods not described under [section 4(6)] *section 4(a)(6)*.

(h) CERTAIN CALCULATIONS.—

(1) DOLLAR AMOUNTS.—Dollar amounts in [section 4(6)] *section 4(a)(6)* and subsection (b) of this section shall be adjusted by the Commission not less frequently than once every 5 years, by notice published in the Federal Register to reflect any change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics.

(2) INCOME AND NET WORTH.—The income and net worth of a natural person under [section 4(6)] *section 4(a)(6)*(B) shall be calculated in accordance with any rules of the Commission under this title regarding the calculation of the income and net worth, respectively, of an accredited investor.

(i) DISCRETION TO ADJUST AMOUNT.—The Commission may increase the amount specified in subsections (b)(1)(D)(i) and (b)(1)(D)(ii) from $250,000 to an amount not greater than $400,000 upon the recommendation of the Office of the Advocate for Small Business Capital Formation and the Office of the Investor Advocate.

* * * * * * *

○