

Again, I thank Mr. GOTTHEIMER for his work on this bill and his partnership on other efforts to protect senior investors, including my Financial Exploitation Prevention Act.

Mr. Speaker, I urge my colleagues to support H.R. 1469.

Mr. GOTTHEIMER. Mr. Speaker, I yield myself the balance of my time.

Senior scams, as we have discussed, and as Mrs. WAGNER just pointed out, have exploded over the last decades. With new technologies like artificial intelligence, these scams are becoming and will continue to be ever more prevalent in the years ahead.

Mr. Speaker, I urge all my colleague to support this bill which will allow the Securities and Exchange Commission to better understand and respond to this growing crisis.

I thank Mrs. WAGNER for her partnership on this bipartisan legislation, and I yield back the balance of my time.

Mr. HILL of Arkansas. Mr. Speaker, I yield myself the balance of my time.

I thank my friend from New Jersey for this excellent bill. I know that Congress has consensus on it, and I hope that in this Congress it becomes law. I have spent a good part of my career both in commercial banking, investment management, and investment brokerage, and all through that time, the protection of our seniors was top of mind by leaders in all those enterprises. Yet, we still have this terrible problem across our country.

I think having this point person at the SEC will make it more responsive, more effective, do better training, and take better planning actions to protect our seniors.

Mr. Speaker, I thank my friend from New Jersey and Mrs. WAGNER for their leadership, I urge a "yes" vote, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arkansas (Mr. HILL) that the House suspend the rules and pass the bill, H.R. 1469, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

EQUAL OPPORTUNITY FOR ALL INVESTORS ACT OF 2025

Mr. HILL of Arkansas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3339) to require certification examinations for accredited investors, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3339

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Equal Opportunity for All Investors Act of 2025".

SEC. 2. CERTIFICATION EXAMINATIONS FOR ACCREDITED INVESTORS.

(a) IN GENERAL.—The Commission shall revise the definition of "accredited investor" under

Regulation D (section 230.500 et seq. of title 17, Code of Federal Regulations) to include any natural person who is certified through the examination required under subsection (b).

(b) ESTABLISHMENT OF EXAMINATION.—Not later than 1 year after the date of the enactment of this Act, the Commission shall establish an examination (including a test, certification, or examination program)—

(1) to certify an individual as an accredited investor; and

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

(B) includes methods to determine whether an individual seeking to be certified as an accredited investor demonstrates competency with respect to—

(i) the different types of securities;
(ii) the disclosure requirements under the securities laws applicable to issuers and offerings of securities exempt from registration under section 5 of the Securities Act of 1933 as compared to issuers and offerings of securities subject to such section 5;

(iii) corporate governance;
(iv) financial statements and the components of such statements;

(v) aspects of unregistered securities, securities issued by private companies, and investments into private funds, including risks associated with—

(I) limited liquidity;
(II) limited disclosures;
(III) subjectivity and variability in valuations and the analytical tools investors may use to assess such valuations;

(IV) information asymmetry;
(V) leverage risks;
(VI) concentration risk; and
(VII) longer investment horizons;

(vi) potential conflicts of interest, when the interests of financial professionals and their clients are misaligned or when their professional responsibilities may be in conflict with financial motivations; and

(vii) such other criteria as the Commission determines necessary or appropriate in the public interest or for the protection of investors.

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

(d) COMMISSION DEFINED.—In this section, the term "Commission" means the Securities and Exchange Commission.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arkansas (Mr. HILL) and the gentlewoman from California (Ms. WATERS) each will control 20 minutes.

The Chair recognizes the gentleman from Arkansas.

GENERAL LEAVE

Mr. HILL of Arkansas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HILL of Arkansas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 3339, the Equal Opportunity for All Investors Act.

The accredited investor definition is severely outdated. While its intention

is to protect investors, its overly broad definition excludes millions of Americans who are experienced and knowledgeable enough to invest in private markets.

Wealth alone should not be the sole determinant as to who can invest in these markets. My friend from Nebraska, Representative FLOOD's bill, provides a merit-based alternative by the establishment of an exam that allows individuals to qualify as accredited investors by demonstrating their understanding of investments and private markets.

This is a smart, commonsense modernization of these outdated rules that provides a meaningful step towards making private markets more accessible.

Mr. Speaker, I urge my colleagues on both sides of the aisle to join me in supporting this bill, and I reserve the balance of my time.

□ 1720

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in both this Congress and last, I have been particularly outspoken about the risks of retail investors investing in private securities. Amongst other things, private securities lack sufficient transparency, have longer lock-up periods, and are much more volatile and less liquid than their public counterparts. It is critical that anyone who invests in these risky assets have sufficient knowledge of those risks.

Currently, companies, or the brokers they hire, can only solicit these "investment opportunities" to individuals who have been deemed to be accredited investors. This definition is currently based on a person's income and net worth, meaning only those making a certain amount of money or possessing a big enough bank account have access to them. Anyone can tell you that just because you have a lot of money, that doesn't make you knowledgeable about the markets. Knowledge is the key here, and the definition needs to be revised to center around this core concept of knowledge and expertise.

The committee has heard from investors who want to invest their own money in some of these risky and illiquid investments and don't want to be barred from investing just because they don't meet the wealth or income tests.

The Equal Opportunity for All Investors Act addresses this problem by allowing an individual to qualify as an accredited investor if they pass an exam that ensures they are properly versed in the risks of investing in the private markets.

With this change, ordinary investors who want to invest in private securities can now do so, assuming they pass the test, which would establish that they are keenly aware of the specific pitfalls related to high-risk and illiquid securities, as well as the conflicts of interest presented when financial professionals try to sell them these products.

Last year, committee Democrats worked with Former Chairman McHenry and my colleague Mr. FLOOD to ensure that this test contained specific, robust elements, elements that the Republican witnesses at previous Financial Services hearings talked about when discussing how they teach and mentor their budding investors.

I am so glad that the Financial Services Committee agreed to make the test available free of charge to anyone who is willing and able to go through the rigor.

Finally, I thank Mr. FLOOD, my colleague from across the aisle, for working with the committee Democrats on a bill that ensures that the SEC is appropriately overseeing this exam process.

I urge my colleagues to vote “yes” on this bill, and I reserve the balance of my time.

Mr. HILL of Arkansas. Mr. Speaker, I include in the record the CBO estimate for this bill.

H.R. 3339, EQUAL OPPORTUNITY FOR ALL INVESTORS ACT OF 2025, AS REPORTED BY THE HOUSE COMMITTEE ON FINANCIAL SERVICES ON JUNE 3, 2025

	By fiscal year, millions of dollars—		
	2025	2025–2030	2025–2035
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (–) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays) ..	*	*	**

* = between – \$500,000 and \$500,000.
** = not estimated.

Increases *net direct spending* in any of the four consecutive 10-year periods beginning in 2036? No.

Increases *on-budget deficits* in any of the four consecutive 10-year periods beginning in 2036? No.

Statutory pay-as-you-go procedures apply? No.

Mandate Effects:
Contains intergovernmental mandate? No.
Contains private-sector mandate? Yes, Under Threshold.

H.R. 3339 would require the Securities and Exchange Commission (SEC) to develop an exam and certify people who pass as “accredited investors,” which would allow them to make investments for which they are not currently eligible. Under current law, accredited investors are defined as people or entities with sufficient financial sophistication and resources to sustain the risk of loss, including banks, broker-dealers, and investment companies. Accredited investors may participate in investment opportunities not available to nonaccredited investors, such as purchasing securities that are exempt from registration with the SEC.

Based on the cost of similar provisions, CBO estimates that implementing H.R. 3339 would cost \$1 million in both 2026 and 2027. CBO expects that the SEC would need three employees, at an average annual cost of \$330,000 for each employee, to establish the examination and amend the current rules on accredited investors. Because the SEC is authorized to collect fees each year to offset its annual appropriation, CBO expects that the net effect on discretionary spending over the 2025–2030 period would be negligible, assuming appropriation actions consistent with that authority.

If the SEC increases annual fees to offset the costs of implementing provisions of H.R.

3339, it would increase the costs of an existing private-sector mandate on entities required to pay those fees. CBO estimates that the incremental cost of the mandate would be small and would fall well below the annual threshold established in the Unfunded Mandates Reform Act (UMRA) for private-sector mandates (\$206 million in 2025, adjusted annually for inflation).

The bill contains no intergovernmental mandates.

The CBO staff contacts for this estimate are Aurora Swanson (for federal costs) and Rachel Austin (for mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

PHILLIP L. SWAGEL,
Director, Congressional Budget Office.

Mr. HILL of Arkansas. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska (Mr. FLOOD), the author of this important bill.

Mr. FLOOD. Mr. Speaker, I thank Chairman HILL and Ranking Member WATERS for their support. I also thank my co-lead on this bill, Congressman CLEO FIELDS, for all of his work.

The Equal Opportunity for All Investors Act would expand the accredited investor definition to include individuals that are certified through an exam written by the SEC and administered by FINRA.

Accredited investors are individuals that are allowed to participate in investment opportunities that are not generally available to the broader public, like private offerings.

Most current pathways to becoming an accredited investor are based on your balance sheet, your wealth, and your income. This bill changes and opens up a brand-new pathway allowing for investors’ knowledge to be the determining factor in whether they are able to become an accredited investor.

In my view, wealth alone is not a particularly strong judge of whether someone should be an accredited investor or not. A better one is whether someone has the knowledge to accurately weigh the benefits and risks of private offerings.

In 2020, the SEC started allowing professional investors with credentials like a Series 65 or a Series 7 to become accredited investors. This was a very helpful step forward, but licensing requirements for brokers and investment advisers go beyond what is needed to properly weigh the risks of private offerings for an individual’s personal finances.

Following the principle that merit, not just wealth, should guide who can become an accredited investor, an exam specifically written to determine the sophistication of investors is a natural next step.

The examination created by this bill is meant to strike the right balance between rigorously testing for sophistication and not being set to such a difficult standard that even an intelligent investor could not pass it.

This bill is a commonsense, bipartisan product that will expand opportunity in our capital markets. I urge my colleagues to support this bill.

Ms. WATERS. Mr. Speaker, I yield 2 minutes to the gentlewoman from Delaware, (Ms. McBRIDE.)

Ms. McBRIDE. Mr. Speaker, I am proud to rise as a co-lead of the Equal Opportunity for All Investors Act with my Republican colleague Representative FLOOD from the great State of Nebraska.

Our bill will unlock capital for entrepreneurs and small business owners who have been left out for far too long.

Current law allows only millionaires to invest in the markets that fuel small businesses, shutting out countless Americans, especially women, veterans, and people of color, based on wealth, not knowledge.

Our bill addresses this by creating an exam to assess your ability to understand financial risk when investing in private markets, enabling a more diverse group of people to invest responsibly, regardless of their net worth.

This legislation creates a new path for capital to reach more hands. In my State, the Delaware Black Chamber of Commerce has told me that the legislation would help close the capital gap for diverse businessowners. Small business leaders say that it is not lack of ideas but a lack of capital that holds them back.

This bill opens up new sources of funding from a pool of investors more reflective of the community so that these founders can turn their vision into jobs and economic growth.

I urge all my colleagues to vote in favor of this commonsense, bipartisan legislation today. I thank Representative FLOOD, Chair HILL, and Ranking Member WATERS for their leadership.

Ms. WATERS. Mr. Speaker, I yield myself the balance of my time.

Compared to investing in publicly traded securities, private securities contain lots of risks. They are less liquid, harder to value, and are more volatile than their public counterparts. It is, therefore, essential that anyone investing in these products fully understand the risks involved, just as prospective drivers must pass a written test displaying they understand the rules and dangers of the road before they are given access to a car.

This bill puts that commonsense principle into practice by creating an SEC-administered test investors can take if they want to invest in private securities.

In doing so, we adequately balance investor protection while providing folks with sufficient freedom to do what they please with their hard-earned dollars. I urge my colleagues to support this bill, and I yield back the balance of my time.

□ 1730

Mr. HILL of Arkansas. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, for all the reasons that I have identified, changes need to be made in the credit investor rule. After 40 years, I think the changes proposed by the gentleman from Nebraska are solid.

Mr. Speaker, I urge my colleagues to support the bill, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arkansas (Mr. HILL) that the House suspend the rules and pass the bill, H.R. 3357, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

ENHANCING MULTI-CLASS SHARE DISCLOSURES ACT

Mr. HILL of Arkansas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3357) to amend the Securities Exchange Act of 1934 to require issuers with a multi-class stock structure to make certain disclosures in any proxy or consent solicitation material, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3357

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Enhancing Multi-Class Share Disclosures Act”.

SEC. 2. DISCLOSURE RELATING TO MULTI-CLASS SHARE STRUCTURES.

Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended by adding at the end the following:

“(1) DISCLOSURE RELATING TO MULTI-CLASS SHARE STRUCTURES.—

“(1) DISCLOSURE.—The Commission shall, by rule, require each issuer with a multi-class share structure to disclose the information described in paragraph (2) in any proxy or consent solicitation material for an annual meeting of the shareholders of the issuer, or any other filing as the Commission determines appropriate.

“(2) CONTENT OF DISCLOSURE.—A disclosure made under paragraph (1) shall include, with respect to each person who is a director, director nominee, or named executive officer of the issuer, or who is the beneficial owner of securities with 5 percent or more of the total combined voting power of all classes of securities entitled to vote in the election of directors—

“(A) the number of shares of all classes of securities entitled to vote in the election of directors beneficially owned by such person, expressed as a percentage of the total number of the outstanding securities of the issuer entitled to vote in the election of directors; and

“(B) the amount of voting power held by such person, expressed as a percentage of the total combined voting power of all classes of the securities of the issuer entitled to vote in the election of directors.

“(3) MULTI-CLASS SHARE STRUCTURE.—In this subsection, the term ‘multi-class share structure’ means a capitalization structure that contains 2 or more types of securities that have differing amounts of voting rights in the election of directors.”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arkansas (Mr. HILL) and the gentlewoman from California (Ms. WATERS) each will control 20 minutes.

The Chair recognizes the gentleman from Arkansas.

GENERAL LEAVE

Mr. HILL of Arkansas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HILL of Arkansas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 3357, the Enhancing Multi-Class Share Disclosures Act.

Mr. Speaker, multiclass structures have existed in American capital markets for many decades, helping founders retain control of their companies without holding a majority of the economic interest. These structures are important for certain business models, like family businesses, but they also raise questions about transparency and shareholder rights.

Since this information is not required to be disclosed, shareholders might not always understand how control is concentrated within a public company.

Mr. MEEKS’ bill rightsizes this issue by requiring companies to provide clear information about voting power, especially where insiders or significant shareholders hold outsized influence.

Mr. Speaker, I urge my colleagues to join me in supporting this bill, and I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Mr. MEEKS’ bill closes documented gaps around multiclass governance structures. Multiclass governance structures are those where corporate insiders or beneficial owners retain an outsized amount of voting power relative to their shares.

These structures, while they may add value, pose significant risk, making transparency ever more important for investors. Specifically, these structures pose significant risks for investors, including limiting investors’ ability to influence management, direct strategy, and hold misaligned boards accountable.

Under current rules, the difference between a corporate insider’s voting power and their ownership interest, regardless of how large that gap may be, is often disclosed in ways that are difficult for an ordinary investor to comprehend.

Accordingly, the SEC Investor Advisory Committee recommended that the Commission amend its rules to ensure that this gap is better identified and quantified for investors via disclosed ratio.

This commonsense bill adopts this recommendation to ensure that investors have the clearest information available to make the best decisions for themselves. This bill is supported by the Council of Institutional Investors, whose members manage trillions in working families’ assets.

Mr. Speaker, I urge my colleagues to vote “yes” on this bill, and I reserve the balance of my time.

Mr. HILL of Arkansas. Mr. Speaker, I include in the RECORD the CBO estimate for this bill.

H.R. 3357, ENHANCING MULTI-CLASS SHARE DISCLOSURES ACT, AS REPORTED BY THE HOUSE COMMITTEE ON HOUSE FINANCIAL SERVICES ON JUNE 3, 2025

	By fiscal year, millions of dollars—		
	2025	2025–2030	2025–2035
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (–) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays) ..	*	*	**

* = between –\$500,000 and \$500,000.

** not estimated.

Increases *net direct spending* in any of the four consecutive 10-year periods beginning in 2036? No.

Increases *on-budget deficits* in any of the four consecutive 10-year periods beginning in 2036? No.

Statutory pay-as-you-go procedures apply? No.

Mandate Effects:

Contains intergovernmental mandate? No.

Contains private-sector mandate? Yes, Under Threshold.

H.R. 3357 would direct the Securities and Exchange Commission (SEC) to issue rules requiring securities issuers with multi-class stock structures to disclose to all shareholders information about the shares of all classes of securities owned by and the voting power of particular shareholders specified in the bill. A multi-class stock structure is one in which a company offers two or more classes of securities with different voting rights in an election of directors.

Using information about the cost of similar rulemakings, CBO estimates that implementing H.R. 3357 would cost \$1 million over the 2025–2030 period. CBO expects the commission would need three employees, at an average annual cost of \$330,000 for each employee, to issue rules over one year. Because the SEC is authorized to collect fees each year to offset its annual appropriation, CBO expects that the net effect on discretionary spending over the 2025–2030 period would be negligible, assuming appropriation actions consistent with that authority.

If the SEC increased fees to offset the costs for rulemaking as required by the bill, H.R. 3357 would increase the cost of an existing mandate as defined in the Unfunded Mandates Reform Act (UMRA) on private entities required to pay those fees. CBO estimates that the incremental cost of the mandate would be small and would fall well below the annual threshold for private-sector mandates established in UMRA (\$206 million in 2025, adjusted annually for inflation).

The bill would not impose any intergovernmental mandates.

The CBO staff contacts for this estimate are Aurora Swanson (for federal costs) and Rachel Austin (for mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

PHILLIP L. SWAGEL,

Director, Congressional Budget Office.

Mr. HILL of Arkansas. Mr. Speaker, I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. MEEKS), ranking member of the House Committee on Foreign Affairs and the sponsor of this legislation.