

[DISCUSSION DRAFT]

118TH CONGRESS
1ST SESSION

H. R. _____

To make certain adjustments related to Regulation Crowdfunding, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To make certain adjustments related to Regulation Crowdfunding, 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,*

3 **SECTION 1. REGULATION CROWDFUNDING REVISIONS.**

4 (a) CERTAIN TARGET OFFERING AMOUNTS.—Sec-
5 tion 4A(b)(1)(D) of the Securities Act of 1933 (15 U.S.C.
6 77d–1(b)(1)(D)) is amended—

7 (1) in clause (i) by striking “\$100,000” and in-
8 serting “\$500,000”;

1 (2) in clause (ii) by striking “\$100,000” and
2 inserting “\$500,000”;

3 (3) in clause (ii) by striking “\$500,000” and
4 inserting “\$3,000,000”; and

5 (4) in clause (iii) by striking “\$500,000” and
6 inserting “\$3,000,000”.

7 (b) U.S. GAAP FINANCIAL STATEMENTS.—The Se-
8 curities and Exchange Commission shall amend instruc-
9 tion 3 to paragraph (t) of Rule 201 of Regulation
10 Crowdfunding (17 C.F.R. 227.201 et seq.) to provide
11 issuers flexibility to prepare financial statements in ac-
12 cordance with accounting principles other than the United
13 States general accounting principles if the target offering
14 amount, together with all other amounts sold under sec-
15 tion 4(a)(6) of the Securities Act of 1933 (15 U.S.C.
16 77d(a)(6)) within the preceding 12-month period, is
17 \$500,000 or less. The Commission shall adjust the dollar
18 amount in the previous sentence not less frequently than
19 once every 5 years, by notice published in the Federal Reg-
20 ister, to reflect any change in the Consumer Price Index
21 for All Urban Consumers published by the Bureau of
22 Labor Statistics.

23 (c) ANNUAL REPORTS.—Section 4A(b)(4) of the Se-
24 curities Act of 1933 (15 U.S.C. 77d–1(b)(4)) is amend-
25 ed—

1 (1) by striking “file with the Commission and”;

2 and

3 (2) by inserting “directly or on the issuer’s
4 website” after “investors”.

5 (d) EXEMPTION AVAILABLE TO INVESTMENT COMPA-
6 NIES.—Section 4A(f) of the Securities Act of 1933 (15
7 U.S.C. 77d–1(f)) is amended—

8 (1) in paragraph (2), by inserting “or” after
9 the semicolon;

10 (2) by striking paragraph (3); and

11 (3) by redesignating paragraph (4) as para-
12 graph (3).

13 (e) RULEMAKING.—The Commission shall revise
14 Regulation Crowdfunding (17 C.F.R. 227.201 et seq.) to
15 conform with the amendments made in this section.