

118TH CONGRESS  
1ST SESSION

# H. R. 835

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## AN ACT

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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Fair Investment Op-  
3 portunities for Professional Experts Act”.

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

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

7 (1) by redesignating subparagraphs (i) and (ii)  
8 as subparagraphs (A) and (F), respectively; and

9 (2) in subparagraph (A) (as so redesignated),  
10 by striking “; or” and inserting a semicolon, and in-  
11 serting after such subparagraph the following:

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

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

25 “(ii) indebtedness that is secured by  
26 the person’s primary residence, up to the

1           estimated fair market value of the primary  
2           residence at the time of the sale of securi-  
3           ties, shall not be included as a liability (ex-  
4           cept that if the amount of such indebted-  
5           ness outstanding at the time of sale of se-  
6           curities exceeds the amount outstanding 60  
7           days before such time, other than as a re-  
8           sult of the acquisition of the primary resi-  
9           dence, the amount of such excess shall be  
10          included as a liability); and

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

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

23           “(D) any natural person who is currently  
24          licensed or registered as a broker or investment  
25          adviser by the Commission, the Financial In-

1 industry Regulatory Authority, or an equivalent  
2 self-regulatory organization (as defined in sec-  
3 tion 3(a)(26) of the Securities Exchange Act of  
4 1934), or the securities division of a State, the  
5 District of Columbia, or a territory of the  
6 United States or the equivalent division respon-  
7 sible for licensing or registration of individuals  
8 in connection with securities activities;

9 “(E) any natural person the Commission  
10 determines, by regulation, to have demonstrable  
11 education or job experience to qualify such per-  
12 son as having professional knowledge of a sub-  
13 ject related to a particular investment, and  
14 whose education or job experience is verified by  
15 the Financial Industry Regulatory Authority or  
16 an equivalent self-regulatory organization (as  
17 defined in section 3(a)(26) of the Securities Ex-  
18 change Act of 1934); or”.

19 (b) RULEMAKING.—The Commission shall revise the  
20 definition of accredited investor under Regulation D (17

- 1 CFR 230.501 et seq.) to conform with the amendments
- 2 made by subsection (a).

Passed the House of Representatives June 5, 2023.

Attest:

*Clerk.*

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