

118TH CONGRESS
2D SESSION

S. 5121

To amend the Securities Act of 1933 and the Dodd-Frank Wall Street Reform and Consumer Protection Act with respect to the definition of the term “accredited investor”, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 19, 2024

Mr. HAGERTY introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend the Securities Act of 1933 and the Dodd-Frank Wall Street Reform and Consumer Protection Act with respect to the definition of the term “accredited investor”, 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. SHORT TITLE.**

4 This Act may be cited as the “Accredited Investor
5 Definition Review Act”.

1 **SEC. 2. CERTIFICATIONS, DESIGNATIONS, AND CREDEN-**
 2 **TIALS UNDER THE DEFINITION OF ACCRED-**
 3 **ITED INVESTOR.**

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

6 (1) by redesignating clauses (i) and (ii) as sub-
 7 paragraphs (A) and (B), respectively;

8 (2) in subparagraph (A), as so redesignated, by
 9 striking “adviser; or” and inserting “adviser;”;

10 (3) in subparagraph (B), as so redesignated, by
 11 striking the period at the end and inserting “; or”;
 12 and

13 (4) by adding at the end the following:

14 “(C) an individual holding such certifi-
 15 cations, designations, or credentials—

16 “(i) as the Commission determines
 17 necessary or appropriate in the public in-
 18 terest or for the protection of investors;
 19 and

20 “(ii) that are not less broad than
 21 those certifications, designations, or cre-
 22 dentials described in the amendments
 23 made to section 230.501 of title 17, Code
 24 of Federal Regulations, by the final rule of
 25 the Commission entitled ‘Accredited Inves-

1 tor Definition’ (85 Fed. Reg. 64234 (Octo-
2 ber 9, 2020)).”.

3 **SEC. 3. PERIODIC REVIEW OF CERTIFICATIONS, DESIGNA-**
4 **TIONS, AND CREDENTIALS.**

5 Section 413(b) of the Dodd-Frank Wall Street Re-
6 form and Consumer Protection Act (15 U.S.C. 77b note)
7 is amended by adding at the end the following:

8 “(3) PERIODIC REVIEW OF CERTIFICATIONS,
9 DESIGNATIONS, AND CREDENTIALS.—Not later than
10 18 months after the date of enactment of this para-
11 graph and not less frequently than once every 5
12 years thereafter, the Commission shall—

13 “(A) review the list of certifications, des-
14 ignations, and credentials accepted with respect
15 to meeting the requirements of the definition of
16 ‘accredited investor’ under section 2(a)(15) of
17 the Securities Act of 1933 (15 U.S.C.
18 77b(a)(15)) and the rules issued under such
19 section 2(a)(15);

20 “(B) add such certifications, designations,
21 and credentials to the list described in subpara-
22 graph (A) as the Commission determines are
23 substantially similar in measuring the financial
24 sophistication, knowledge, and experience in fi-
25 nancial matters of an individual to the certifi-

1 cations, designations, and credentials included
2 on that list at the time of that review; and

3 “(C) adjust or modify that list as the Com-
4 mission determines necessary or appropriate in
5 the public interest or for the protection of in-
6 vestors.”.

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