

118TH CONGRESS
1ST SESSION

H. R. 2605

To amend the Securities Exchange Act of 1934 to exclude qualified institutional buyers and institutional accredited investors when calculating holders of a security for purposes of the mandatory registration threshold under such Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 13, 2023

Mr. MCHENRY introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To amend the Securities Exchange Act of 1934 to exclude qualified institutional buyers and institutional accredited investors when calculating holders of a security for purposes of the mandatory registration threshold under such Act, 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. EXCLUSIONS FROM MANDATORY REGISTRA-**
4 **TION THRESHOLD.**

5 (a) IN GENERAL.—Section 12(g)(1) of the Securities
6 Exchange Act of 1934 (15 U.S.C. 78l(g)(1)) is amended—

1 (1) in paragraph (A)(i), by inserting after “per-
2 sons” the following: “(that are not a qualified insti-
3 tutional buyer or an institutional accredited inves-
4 tor)”; and

5 (2) in paragraph (B), by inserting after “per-
6 sons” the following: “(that are not a qualified insti-
7 tutional buyer or an institutional accredited inves-
8 tor)”.

9 (b) NONAPPLICABILITY OF GENERAL EXEMPTIVE
10 AUTHORITY.—Section 36 of the Securities Exchange Act
11 of 1934 (15 U.S.C. 78mm) shall not apply to the matter
12 inserted by the amendments made by subsection (a).

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