



## **Redefining the Accredited Investor: The Impact of the Proposed Equal Opportunity for All Investors Act**

**Financial Services**



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On July 21, 2025, the House of Representatives passed [\*\*H.R. 3339, the “Equal Opportunity for All Investors Act of 2025.”\*\*](#) This landmark bill seeks to expand the pool of individuals eligible for private market investments by introducing an alternative pathway to becoming qualified as an “accredited investor.”

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The current definition of an “accredited investor,” as outlined in Rule 501 of Regulation D under the Securities Act of 1933, primarily relies on wealth. For natural persons, this generally means having a net worth of over US\$1 million (excluding a primary residence) or an annual income exceeding US\$200,000 (US\$300,000 with a spouse) for the past two years.

The accreditation requirement exists to ensure that investors in higher-risk private offerings — like hedge funds, pre-IPO companies, private real estate funds, and venture capital — have the financial sophistication to understand the risks and can sustain potential losses. Private securities are also less liquid than publicly-traded assets, adding another layer of risk.

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The “Equal Opportunity for All Investors Act” proposes to update this definition by allowing individuals to qualify as accredited investors by passing a certification exam. This exam would be established by the SEC and administered by FINRA, and would be offered free of charge to the public.

The bill specifies that the exam must be challenging enough that only individuals with genuine financial sophistication would be likely to pass. It would test competency in a wide range of areas, including different types of securities and their associated risks, the distinction between registered and unregistered securities offerings, corporate governance and financial statement analysis, and the unique risks of private investments, such as limited liquidity, information asymmetry, leverage, and concentration risk.



The image is a promotional flyer for the ACC Annual Meeting 2025, held in Philadelphia from October 19-22, 2025. The design features a dark blue background with a teal and magenta horizontal bar at the top. The ACC logo is on the left, and the words 'KEYNOTE SPEAKERS' are in large white letters on the right. Below the bar are three circular portraits of the keynote speakers: Andrew Ross Sorkin, Lindsay Czarniak, and Nicole Lynn. Each portrait is accompanied by a name and a brief description. The bottom of the flyer shows the dates 'MONDAY, OCTOBER 20' and 'TUESDAY, OCTOBER 21' on a teal bar, and a 'Sponsored by DILI TRUST' logo on the right.

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**LINDSAY CZARNIAK**  
Emmy-Winning Sportscaster  
Master Storyteller

  
**&**  
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According to the Congressional Budget Office (CBO), the implementation of H.R. 3339 is projected to cost US\$1 million annually in both 2026 and 2027. This would cover the cost of SEC employees needed to create the exam and amend existing rules. This cost is considered a worthwhile investment for the scale of the change and is expected to have a negligible net effect on discretionary spending, as the SEC can collect fees to offset its appropriations.

The CBO also notes that while the bill might increase costs for entities that pay SEC fees, this increase would be minimal and well below the annual threshold for private-sector mandates established by the [Unfunded Mandates Reform Act](#).

The bill was introduced in May 2025 by a bipartisan group of US Representatives: Mike Flood (R-NE), Cleo Fields (D-LA), Mike Lawler (R-NY), Sarah McBride (D-DE), and Shri Thanedar (D-MI). The fact that this effort is supported across the aisle demonstrates a broad consensus on the need to modernize the accredited investor definition. This legislation is poised to have a significant impact on both investors and the private equity landscape.

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By expanding the definition of an accredited investor, the bill would allow a larger number of financially knowledgeable individuals to access private investment opportunities, potentially boosting their personal and retirement savings. Concurrently, it would open up new sources of capital for private equity firms and growing businesses.

Following its passage in the House, the bill was received by the Senate on July 22, 2025, and referred to the committee on banking, housing, and urban affairs for further consideration.

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[Geri Denger](#)



Corporate Counsel

The BAM Companies

Geri Denger is the corporate counsel at The BAM Companies, a vertically integrated real estate firm, and its private equity arm, BAM Capital. She is responsible for the legal aspects of complex real estate transactions, including acquisitions, dispositions, joint ventures, and financing. In addition to facilitating these transactions, she oversees daily legal functions and provides strategic counsel on operations and business dealings. Denger holds a Juris Doctor from Rutgers Law School and a Bachelor of Science from Purdue University.

