

HOUSE BILL NO. HB0041

Intrastate crowdfunding exemption-amendments.

Sponsored by: Select Committee on Blockchain, Financial
Technology and Digital Innovation Technology

A BILL

for

1 AN ACT relating to intrastate crowdfunding; increasing the
2 dollar amount qualifying for an exemption from securities
3 regulation; removing the dollar limit on funding received
4 from nonaccredited investors; removing and amending
5 reporting requirements; and providing for an effective
6 date.

7

8 *Be It Enacted by the Legislature of the State of Wyoming:*

9

10 **Section 1.** W.S. 17-4-203(a)(iii)(A) and (B), (iv),
11 (b)(intro), (i) through (iii), (iv)(intro) and (A) is
12 amended to read:

13

14 **17-4-203. Intrastate crowdfunding exemption.**

15

1 (a) Except as otherwise provided in this act, an
2 offer or sale of a security by an issuer is exempt from the
3 requirements of W.S. 17-4-301 through 17-4-306 and 17-4-504
4 if the offer or sale meets all of the following
5 requirements:

6

7 (iii) The sum of all cash and other
8 consideration to be received for all sales of the security
9 in reliance on this exemption does not exceed the following
10 amounts:

11

12 (A) ~~Two million dollars (\$2,000,000.00)~~
13 Three million dollars (\$3,000,000.00), less the aggregate
14 amount received for all sales of securities by the issuer
15 within the twelve (12) months before the first offer or
16 sale made in reliance on this exemption, if the issuer has
17 not made available to each prospective purchaser and the
18 secretary of state audited financial statements or reviewed
19 financial statements for the issuer's most recently
20 completed fiscal year, prepared by a certified public
21 accountant, holding a certificate pursuant to W.S.
22 33-3-109, in accordance with the statements on auditing
23 standards of the American Institute of Certified Public

1 Accountants or the statements on standards for accounting
2 and review services of the American Institute of Certified
3 Public Accountants, as applicable;

4
5 (B) ~~Four million dollars (\$4,000,000.00)~~
6 Fifteen million dollars (\$15,000,000.00), less the
7 aggregate amount received for all sales of securities by
8 the issuer within the twelve (12) months before the first
9 offer or sale made in reliance on this exemption, if the
10 issuer has made available to each prospective purchaser and
11 the secretary of state audited financial statements or
12 reviewed financial statements for the issuer's most
13 recently completed fiscal year, prepared by a certified
14 public accountant, holding a certificate pursuant to W.S.
15 33-3-109, in accordance with the statements on auditing
16 standards of the American Institute of Certified Public
17 Accountants or the statements on standards for accounting
18 and review services of the American Institute of Certified
19 Public Accountants, as applicable.

20

21 (iv) The issuer has not accepted more than ~~ten~~
22 ~~thousand dollars (\$10,000.00)~~ thirty-five thousand dollars
23 (\$35,000.00) from any single purchaser unless the purchaser

1 is an accredited investor as defined by rule 501 of
2 securities and exchange commission regulation D, (17 C.F.R.
3 230.501) who comes within any category listed in the
4 definition of that rule or who the issuer reasonably
5 believes comes within any category listed in the definition
6 of that rule, at the time of the sale. The issuer may rely
7 on confirmation that the purchaser is an accredited
8 investor from information provided by the purchaser, a
9 licensed broker-dealer or another third party in making a
10 determination that the purchaser is an accredited investor;

11

12 (b) If the offer and sale of a security of an issuer
13 is exempt under this section, the issuer shall provide a
14 ~~quarterly report to the~~ information described in paragraph
15 (iv) of this subsection upon request of the issuer's
16 purchasers until none of the securities issued under this
17 section are outstanding. All of the following apply: ~~to the~~
18 ~~quarterly report described in this subsection:~~

19

20 (i) The issuer shall provide the ~~report~~
21 information free of charge to the purchasers;

22

1 (ii) An issuer may satisfy the report
2 information requirement under this subsection by making the
3 information available on an internet website; ~~if the~~
4 ~~information is made available within forty five (45) days~~
5 ~~after the end of each fiscal quarter and remains available~~
6 ~~until the next quarterly report is issued;~~

7
8 (iii) The issuer ~~shall file each report with the~~
9 ~~secretary of state and~~ must provide a written copy of the
10 ~~report~~ information to any purchaser or the secretary of
11 state on request;

12
13 (iv) The ~~report~~ information provided must
14 include all of the following:

15
16 (A) The compensation received by each
17 director and executive officer of the issuer, including
18 cash compensation earned ~~since the previous report and~~ on
19 an annual basis and any bonuses, stock options, other
20 rights to receive securities of the issuer or any affiliate
21 of the issuer, or other compensation received;

22

1 **Section 2.** This act is effective July 1, 2021.

2

3

(END)