

Washington State Equity Crowdfunding Update

Good news! Senators Fain and Mullet have sponsored [SB 5680](#) in the Washington State Senate. This is the same bill as HB 1593 in the House.

The bill would make important technical improvements to Washington State's equity crowdfunding law

The highlights of the bill include:

- Allowing Delaware corporations to use Washington State's equity crowdfunding law.
- Bringing the Washington State law into alignment with the federal exemptions now in place (we have a new federal exemption, Rule 147A).
- Allowing accredited investors to participate in Washington State equity crowdfunding offerings without a limit on the amount of their investment.
- Repealing the poison pill of having to publicly disclose executive officer and director compensation; instead, disclosure will just be required to shareholders and the DFI.
- Allows companies to sell "[a]ny type of equity or convertible debt security" under the exemption (this will allow companies to sell convertible debt).

This is a great bill, and should result in companies using Washington State's equity crowdfunding law.

The public hearing on the Senate bill is currently scheduled for February 9th. Anyone interested in testifying can come down to Olympia and sign up and be heard in support of the bill.

If you want to track the progress of the bill, you can track it [here](#).