

Washington State Equity Crowdfunding Update

My colleague Danny Neuman and I testified this morning in support of [HB 1593](#). This bill would improve the Washington State equity crowdfunding law.

The bill is sponsored by Representatives Vick and Kirby.

HB 1593 Would Do a Number of Helpful Things

HB 1593 would do the following:

- Eliminate the quarterly public disclosure of executive officer and director compensation. Instead, there would be a required annual disclosure to the Company's shareholders and the DFI.
- Allow "accredited investors" to invest an unlimited amount in approved crowdfunding offerings.
- Align the statute with new SEC regulations on Rule 147A offerings. This would allow companies incorporated in Delaware to use the law.
- The bill would also allow companies to sell convertible debt or "any type of equity."

The Washington State DFI testified in favor of the bill.

Hopefully this bill moves to passage and signature by the Governor this year. It would be a good series of improvements in the law. HB 1593 will make the law more accessible to companies and more desirable as a fundraising tool.

If you would like to know how to support the bill, email either me or Danny at wallin@carneylaw.com or neuman@carneylaw.com and we can give you some ideas.