AN ACT

relating to crowdfunding portal regulations for small business
development.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The Securities Act (Article 581-1 et seq.,
Vernon's Texas Civil Statutes) is amended by adding Section 44 to
read as follows:

Sec. 44. CROWDFUNDING. (a) The Board shall adopt rules to
regulate and facilitate online intrastate crowdfunding applicable
to authorized small business development entities. The Board may
create other requirements necessary to carry out this section.

(b) The rules for authorized small business development
entities must:

(1) allow authorized small business development
entities to list on their web portals offerings of securities by
issuers in which they are financially interested;

(2) allow authorized small business development
entities and their portals to list offerings of securities without
offering investment advice;

(3) allow authorized small business development
entities to subcontract the operations of a crowdfunding web portal
to a third party as permitted by Board rule; and

(4) limit the offerings of securities on an authorized
small business development entity's web portal to securities of
issuers located within the service area of the authorized small business development entity.

(c) In this section, "authorized small business development entity" means:

(1) a Type A corporation authorized under Chapter 504, Local Government Code;

(2) a Type B corporation authorized under Chapter 505, Local Government Code;

(3) a nonprofit organization authorized by an agency or authority of the federal government to distribute housing and community development block grants;

(4) a municipal corporation;

(5) the Texas Veterans Commission; or

(6) a nonprofit community development financial institution certified by the Community Development Financial Institutions Fund.

SECTION 2. This Act takes effect September 1, 2015.
H.B. No. 1629

President of the Senate

Speaker of the House

I certify that H.B. No. 1629 was passed by the House on May 8, 2015, by the following vote: Yeas 136, Nays 6, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 1629 was passed by the Senate on May 24, 2015, by the following vote: Yeas 22, Nays 8.

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Secretary of the Senate

APPROVED: __________________________

Date

______________________________
Governor