

The angel investor community had been fighting for its collective life over the past few weeks. Recent news coverage revealed that a major bill on the senate floor entitled "Restoring Financial Stability Act of 2010" would have a dramatic negative impact on angel investing across the country.

The bill, as written, would have redefined "Accredited Investors" at higher levels of income and net worth. The minimum annual income was set to increase from \$200,000 to \$450,000, and minimum assets would have gone from \$1 million to \$2.3 million. This may have prevented more than half of angel investors from contributing to these businesses.

Why does this matter? Presently, more than 100,000 angel investors across the country risk billions of their own money to invest in startup businesses. These investors play an important role in funding new businesses and generating jobs. Without angel investor participation in the financial system, thousands of businesses each year would not exist.

It could have been a disaster for investors, entrepreneurs and the economy!

Fortunately for all of us, Liddy Karter of the Angel Capital Association and Matt Nemerson of the Connecticut Technology Council acted swiftly and reached out to Senator Dodd. Together, they convinced him to rescind the restrictive language. A new amendment to the bill will restore the definition of "Accredited Investor" to previous income and asset levels with only a slight modification. (Primary residences can no longer be listed among assets.)

As an entrepreneur and a supporter of the small business community, I would like to personally thank Liddy Karter and Matt Nemerson for their heroics.

To watch our insightful interview with Liddy Karter [CLICK HERE](#).

Liddy has agreed to be a judge at [The Perfect Pitch 2010 Conference](#), and we look forward to seeing her there.