

Congress of the United States
Washington, DC 20510

December 10, 2012

Hon. Mary Schapiro
Chairman
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Dear Chairman Schapiro:

We write to request that the Securities and Exchange Commission promulgate proposed regulations on crowdfunding in the most expeditious manner possible.

On April 5, the President signed into law the CROWDFUND Act, which amended the federal securities laws to authorize securities-based crowdfunding. Adopted with a bipartisan vote in both the Senate and the House of Representatives, the Act takes a balanced approach to creating a new financial market where entrepreneurs and small businesses can efficiently raise capital from small-dollar investors. A central element of the bipartisan compromise was for the SEC to bring its expertise to bear so that investors could trust this new marketplace. A trustworthy marketplace will benefit investors, entrepreneurs, and intermediaries.

We understand the complexity in crafting the new rules. Yet time is of the essence. Market participants are eager to start providing crowdfunding services to entrepreneurs and investors alike, and small businesses and entrepreneurs are eager to raise money and create jobs.

The law directed the SEC to promulgate the necessary rules within 270 days of the enactment of the Act. That timeline might seem aggressive, but Congress chose it after careful consideration. While we commend the SEC for welcoming a wide range of input to date, we are concerned that in the eight months since the statute's enactment, the Commission has not yet proposed rules. We recognize that there are a number of important demands on the SEC's time and resources, but we believe that the Commission should work aggressively to initiate the rulemaking and comment process.

At this point, it will be difficult to complete the rules by the deadline in the Act, but the SEC should move expeditiously to attempt to do so. At a minimum, the Commission should put out for comment proposed rules as soon as possible. We also expect the SEC to coordinate with the relevant national securities association to ensure that its processes are expedited as well.

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Thank you for your attention to this matter.

Sincerely,

Jeffrey A. Munkley

Mark F. B...

Scott P. Brown

Patricia J. McHenry

Mary J. Gaudin

cc: Hon. Elisse Walter, Commissioner and Chairman-designate