

United States Senate

WASHINGTON, DC 20510

July 18, 2013

Ms. Mary L. Schapiro
 Chairman
 US Securities and Exchange Commission
 100 F St NE
 Washington, DC 20549

Dear Ms. Schapiro:

As you are aware, Title III of the Jumpstart Our Business Startups (JOBS) Act, which became law on April 5, 2012, amends Section 4 of the Securities Act of 1933 to create an exemption for certain so-called "crowdfunding" activities. While I voted against the overall bill due to concerns about the potentially negative impact of other sections on retail investors, I believe the crowdfunding provisions are extremely important for small businesses and should be implemented as soon as possible.

Capital is the lifeblood of any business, but particularly small businesses. Access to capital, particularly credit, presents special challenges for startups and small businesses. Many of these challenges are described in great detail in a July 2010 report by the U.S. Chamber of Commerce entitled "Small Business Access to Capital: Critical for Economic Recovery." The National Federation of Independent Businesses (NFIB) has also weighed in on this problem, issuing a study entitled "Small Business, Credit Access and a Lingering Recession," in which they note that 600,000 small businesses were shut out of desired credit completely in 2011, while 800,000 small businesses obtained credit, but less than they desired. In fact, NFIB indicates that 15 percent of small business owners say inability to obtain credit is one of their biggest obstacles. In light of the difficulty small businesses have in accessing credit markets, access to equity capital has become even more important.

I believe that crowdfunding can help bridge the gap between entrepreneurs who desperately need equity capital to start or expand their businesses and small investors seeking innovative and investment alternatives. While fledgling businesses may present special risks, in my estimation, the restrictions placed on crowdfunding in the JOBS Act, particularly the limits on the size of any individual investment, are sufficient to protect ordinary investors from outsized risk exposure.

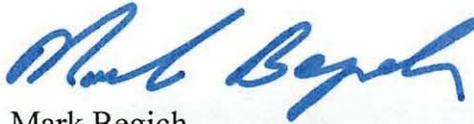
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With the foregoing in mind, and in light of the significant role startups and small businesses play in job creation and economic expansion, I urge you to quickly promulgate whatever regulations necessary to fully implement the crowdfunding provisions as required by the JOBS Act.

Sincerely,



Mark Begich
United States Senator