



Partners
for the
Common Good

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February 3, 2014

U.S. Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549

Re: File No. S7-09-13; Request for Public Comment on JOBS Act, Proposed Rule for Title III Crowdfunding

Dear Ladies and Gentleman:

I thank you for the opportunity to comment on the Commission's Request for Public Comment on a rule to implement Title III of the Jumpstart Our Business Startups (JOBS) Act.

As the Chief Executive Officer of Partners for the Common Good, a Community Development Financial Institution (CDFI) that works nationwide to promote economic justice and opportunity by partnering with CDFIs and other mission-based lenders working in low and moderate income communities, I commend the Securities and Exchange Commission for its efforts to implement this potentially exciting new rule that could provide access to capital to numerous small businesses and other community based enterprises in underserved communities. At the same time, PCG shares your concern about ensuring that investors have sufficient protections against potential fraud.

The Jumpstart Our Business Startups (JOBS) Act was passed with an explicit goal to "increase American job creation and economic growth." We strongly urge you to engage the CDFI industry in crafting a rule that is effective in channeling resources to the people and places often left out of the economic mainstream. We have concerns that some provisions of the proposed rule could have the unintended effect of precluding many communities and entrepreneurs from accessing mission-focused capital that could otherwise create jobs in communities with high unemployment and limited opportunities for residents.

Today there are more than 800 CDFIs that are U.S. Treasury-certified, mission-driven financial institutions with track records of providing responsible, affordable financing that creates jobs and drives economic development in under-invested urban, rural and Native American communities all across the country. CDFIs and the communities they serve need more patient and flexible mission-driven capital. Like you, CDFIs share the desire to ensure that mission-driven capital efficiently and safely reaches the low-income, low-wealth communities where job creation and economic growth are needed most.

We believe the CDFI industry could help the Commission craft a rule or exemption that will promote the interests of underserved communities while protecting potentially vulnerable investors. If done appropriately, the rules will allow CDFIs and the communities they serve to utilize Crowdfunding to raise much-needed capital while introducing supplementary investor protections, creating a fair and robust Crowdfunding market.

We urge the SEC to avoid placing unnecessary burdens or costs on either issuers or Funding Portals that operate with a focus on the domestic community development finance sector. This sector operates with low margins – indeed most entities operating in the sector rely on various sources of subsidy, either direct or indirect, to do the hard work of strengthening poor neighborhoods and low-wealth households. We anticipate that much mission-focused investment will consist of low-yield debt offerings, and we caution the SEC that any additional costs not anticipated in the JOBS Act could render Crowdfunding very difficult to use in our sector and thus significantly constrain access to capital.

We encourage the SEC to author final rules for Crowdfunding that allow the many CDFIs across the nation to efficiently access this new source of capital with its great potential for underserved neighborhoods. The SEC is charged with fulfilling the intended goals of the JOBS Act. We urge the SEC to author rules that are inclusive of and sensitive to CDFI lending, leading to more capital formation in under-invested neighborhoods, strengthening investor protections, and creating a fair and orderly market.

Thank you for your consideration of these views.

Sincerely,

A handwritten signature in black ink, reading "Jeannine S. Jacokes". The signature is written in a cursive, flowing style.

Jeannine S. Jacokes
Chief Executive Officer