

United States Senate

WASHINGTON, DC 20510-4606

September 5, 2014

The Honorable Mary Jo White
Chair
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Dear Chair White:

Since your nomination, you and I have had several discussions related to the JOBS Act and crowdfunding regulations, and I know that you understand these rules are a priority issue for me. I believe Title III crowdfunding will unleash new growth opportunities for entrepreneurs, especially in locations such as Danville or Bath County, Virginia, where investor communities are not as accessible. Although I appreciate the complexity of the topics on the Commission's regulatory agenda, I urge you to finish Title III crowdfunding rules in the coming weeks.

During the last few years, entrepreneurs and investors have built approximately 1,000 crowdfunding portals. According to Fundable, crowdfunding is estimated to add \$65 billion to the international economy by the end of 2014. In a VentureBeat survey of 87 companies this past January, the average increase in quarterly revenues was 24 percent post crowdfunding. CNBC also just reported on the potential of crowdfunding for women and minority-owned companies.

I realize the issue of state preemption is a difficult one and the Commission is making sincere efforts to address this. I urge you to find a solution quickly so as not to hold up this important tool that can help democratize financing for entrepreneurs. Similarly, I also urge you to lead the Commission forward, albeit with care, to finalize Regulation A+ while maintaining key investor protections in the "qualified purchaser" definition within Title IV of the JOBS Act.

I feel strongly that there is significant economic development that the U.S. will benefit from when JOBS Act rulemakings are completed and we are able to focus on fostering a maturing crowdfunding industry. We need to move forward, strike a balance on the items above, and avoid entangling entrepreneurs in too much regulatory red tape.

Two years after the passage of the JOBS Act, it is time for crowdfunding rules to be in place to provide clarity for market participants and support the economic activity we both believe will follow. Thank you for your leadership in this issue, and I look forward to your response.

Sincerely,



Mark R. Warner
United States Senator