

**U. S. House of Representatives**  
**Washington, D. C. 20515**

**SEC File No. S7-11-13**

February 12, 2014

The Honorable Mary Jo White, Chair  
U.S. Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

Dear Chairwoman White,

As bipartisan Members of Congress who support capital formation and job creation, we write in support of the Commission's proposal to implement Section 401 of the Jumpstart Our Business Startups Act (Pub. L. 112-106). The proposed rules will raise the threshold for certain Regulation A offerings from \$5 million to \$50 million, and in the process will offer small companies a lower-cost means to raise public capital and create jobs.

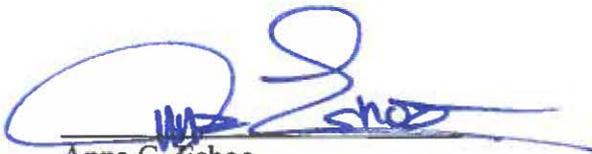
As you know, the current maximum dollar limit for public offerings under Regulation A has been set at \$5 million since 1992. When combined with high regulatory costs, this threshold has rendered Regulation A impractical in most cases. The Commission's rulemaking proposal indicates that from 2009 through 2012, there were only 19 Regulation A filings, compared with approximately 27,500 Regulation D offerings of up to \$5 million.

Regulation A was established as part of the 1933 Securities Act as a way to facilitate the flow of capital to small businesses, but the outdated \$5 million threshold effectively leaves companies with no opportunity to obtain middle-tier public capital without incurring prohibitive regulatory costs. In today's high-tech economy, many startups and small firms require significant up front capital to invest in early research and development. Raising the Regulation A threshold to \$50 million will allow these companies to spur hiring and continued business development.

Raising the Regulation A threshold has broad bipartisan support. The standalone legislation to raise the Reg A offering limit passed the House of Representatives by a vote of 421-1 in 2011. This legislative language was then included as Title IV of the broader JOBS Act, which passed both houses of Congress by overwhelming margins in 2012. Raising the Reg A threshold will allow innovative companies to obtain capital to continue to be the drivers of our economy.

Thank you again for your hard work in crafting this proposal and for ensuring its swift final implementation.

Sincerely,



Anna G. Eshoo  
Member of Congress



David Schweikert  
Member of Congress



Zoe Lofgren  
Member of Congress



Kerry L. Bentivolio  
Member of Congress



Scott H. Peters  
Member of Congress



Juan Vargas  
Member of Congress



Donna F. Edwards  
Member of Congress