



February 14, 2020

Ms. Vanessa A. Countryman, Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

RE: Amending the Accredited Investor Definition
Att: File # S7-25-19

Dear Ms. Countryman:

The California Association of County Treasurers and Tax Collectors (CACTTC) appreciates the opportunity to submit comments to the Securities and Exchange Commission ("Commission" or "SEC") regarding its proposed amendments to the "Accredited Investor" definition in Regulation D of the Securities Act of 1933 ("1933 Act") and the "Qualified Institutional Buyer" ("QIB") definition in Rule 144A(a)1 of the 1933 Act.

CACTTC is comprised of the Treasurer/Tax Collectors of the 58 counties throughout California, along with associate memberships for financial services firms that serve our counties. CACTTC provides opportunities for education, networking, and advocacy. It has been in its current existence since 1981.

California counties and other local governments are restricted, by legal definition, from participating in private placement offerings. The current definitions of "Accredited Investor" and "Qualified Institutional Buyer" in the 1933 Act do not include language that clearly identifies local governments as allowable participants in private placement offerings, even though many California counties and local governments own and manage treasury investment portfolios sized in the hundreds of millions to billions of dollars.

With the growth of the 4(a)(2) and 144A commercial paper markets and the recent trend of public corporations replacing exempt and registered securities programs with private placement programs, local governments face growing challenges to invest public funds for the benefit of our constituents.

California Association of County Treasurers and Tax Collectors
1415 L Street, Suite 1000 • Sacramento, California 95814
Phone: (916) 441-1850 • **Fax:** (916) 441-6178

Therefore, CACTTC strongly supports the Commission's Proposed Rule 501(a)(9) to include in the "Accredited Investor" definition, any entity that satisfies a \$5 million threshold "investments owned" test.

CACTTC also strongly supports the Commission's Proposed Rule 144A(a)(1)(i)(J) to expand the definition of "Qualified Institutional Buyer," to include those entities that qualify as "Accredited Investors" under the new Proposed Rule 501(a)(9), if they satisfy a \$100 million "investments owned" threshold test.

These proposed amendments will greatly benefit California county treasurers managing local government investment pools meeting the \$100 million QIB threshold. Lifting these restrictions will allow us greater opportunities to meet our statutorily defined mandates of providing safety, liquidity, and yield for the portfolios in our care.

Respectfully submitted,



Keith M. Williams, President
California Association of County Treasurers and Tax Collectors