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August 21, 2026

Via Electronic Submission

Vanessa A. Countryman

Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: File No. 4-914 — Second Supplemental Submission: Clarification of Statutory Authority for the Requested Amendment to Rule 100(a) of Regulation Crowdfunding

Dear Ms. Countryman:

Crowdfund Capital Advisors, LLC ("Petitioner") respectfully submits this second supplement to its petition for rulemaking, docketed July 13, 2026 as File No. 4-914, which requests that the Commission amend Rule 100(a) of Regulation Crowdfunding, 17 C.F.R. § 227.100(a), to raise the offering limit from $5 million to $20 million in any 12-month period and to index that limit to inflation. Petitioner's July 15, 2026 supplemental submission provided updated market data from the CCLEAR database and recommendations regarding crowdfunding vehicles under Rule 3a-9. The purpose of this second supplement is narrower: to clarify the statutory authority on which the requested action rests, and to address an objection the Commission may anticipate.

I. The Requested Amendment Rests on Section 28, the Same Authority the Commission Exercised in 2020

The petition referenced Section 3(b) of the Securities Act as a source of the Commission's authority to adjust offering limits. Petitioner wishes to be precise. The operative authority for the relief requested is Section 28 of the Securities Act, 15 U.S.C. § 77z-3, exercised together with the Commission's rulemaking authority under Section 19(a) — precisely the authority the Commission invoked in the 2020 Harmonization Release when it raised the Regulation Crowdfunding offering limit from $1.07 million to $5 million.[1]

[1] Facilitating Capital Formation and Expanding Investment Opportunities by Improving Access to Capital in Private Markets, Release No. 33-10884 (Nov. 2, 2020), 86 Fed. Reg. 3496 (Jan. 14, 2021) (the "2020 Harmonization Release").

The offering limit in Securities Act Section 4(a)(6)(A) is $1,000,000, adjusted for inflation pursuant to Section 4A(h). The current $5 million limit in Rule 100(a) therefore already exceeds the statutory figure by a factor of roughly four. In adopting it, the Commission relied on its general exemptive authority under Section 28, which empowers the Commission to exempt "any class" of securities or transactions "from any provision" of the Act, conditionally or unconditionally, upon a finding that the exemption is "necessary or appropriate in the public interest, and is consistent with the protection of investors."[2] The action Petitioner requests is the identical legal operation, differing only in degree: a conditional exemption permitting offerings of up to $20 million that comply in all respects with the balance of Regulation Crowdfunding — its investment limits, intermediary requirements, disclosure obligations, and antifraud provisions. The 2020 amendments have been in effect since March 15, 2021 — more than five years — and Petitioner is aware of no judicial challenge to them. Congress, for its part, has actively revisited Regulation Crowdfunding's statutory framework during that period — most recently, the House passed the INVEST Act by a bipartisan vote of 302–123 in December 2025, amending Section 4A to reduce compliance burdens on crowdfunding issuers — while leaving the Commission's $5 million limit undisturbed as the operating baseline.[3]

II. Clarification Regarding Section 3(b)

For the avoidance of doubt, Petitioner does not rely on Section 3(b)(1), which by its terms is unavailable: it caps exemptions adopted under that paragraph at $5,000,000.[4] Nor does Petitioner ask the Commission to establish a new exempt class under Section 3(b)(2). Section 3(b)(2) is nonetheless instructive, in two respects.

First, as a benchmark. Through Section 3(b)(2), and the biennial review directed by Section 3(b)(5), Congress authorized — and the Commission has implemented — public-facing exempt offerings of up to $75 million under Regulation A. Measured against that judgment, a $20 million limit for offerings conducted through FINRA-member funding portals, with per-investor limits and standardized disclosure, is a modest request.

Second, as a contrast that explains why Section 28 is the proper vehicle. An exemption constructed on Section 3(b)(2) authority would carry that provision's mandatory conditions,

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[2] 15 U.S.C. § 77z-3 ("The Commission, by rule or regulation, may conditionally or unconditionally exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision or provisions of this subchapter or of any rule or regulation issued under this subchapter, to the extent that such exemption is necessary or appropriate in the public interest, and is consistent with the protection of investors.").

[3] See INVEST Act, H.R. 3383, 119th Cong. (passed the House, 302–123, Dec. 11, 2025) (incorporating the ACCESS Act of 2025, H.R. 3645, which amends Securities Act Section 4A(b)(1)(D) to raise the financial-statement review threshold from $100,000 to $250,000; pending in the Senate); ACCESS Act of 2026, S. 3662, 119th Cong. (introduced Jan. 2026).

[4] 15 U.S.C. § 77c(b)(1) ("[N]o issue of securities shall be exempted under this subsection where the aggregate amount at which such issue is offered to the public exceeds $5,000,000.").

including the requirement that issuers file audited financial statements annually.[5] Those conditions are calibrated to Regulation A-scale issuers and would be disproportionate for crowdfunding-scale companies — imposing precisely the kind of fixed compliance cost, invariant to offering size, that falls hardest on the smallest issuers. A 3(b)(2)-based structure would also place the securities outside the Section 4(a)(6) framework on which the Regulation Crowdfunding ecosystem is built, including covered-security treatment under Section 18(b)(4)(C) and the funding-portal intermediary regime of Section 4A. Section 28, by contrast, permits the Commission to scale the existing, proven framework rather than construct a parallel one. That is what the Commission did in 2020, and it is what Petitioner requests here.

III. The Anticipated Objection to Section 28 Authority Is Unpersuasive

In the 2020 rulemaking, some commentators argued that Section 28 may not be used to exceed dollar limitations that appear in the statute.[6] The Commission was right not to accept that view, for at least four reasons. First, the text of Section 28 contains no carve-out for dollar limitations; it extends to “any provision” of the Act, subject only to the public-interest and investor-protection findings. Second, Section 4A(h)’s inflation-adjustment directive is a floor-maintenance obligation — it ensures the Section 4(a)(6) figure does not erode in real terms — not an implied repeal of the Commission’s separate exemptive authority. Third, the requested relief is structured as a conditional exemption for a defined class of transactions that remain subject to every other requirement of Regulation Crowdfunding, comfortably within the Commission’s established exemptive practice. Fourth, more than five years of experience under the $5 million limit — documented in the CCLEAR data accompanying the petition and the July 15 supplement — supplies the empirical record for the required findings: issuers approaching the current cap increasingly split their rounds, moving the balance into Rule 506(c) offerings with materially less disclosure (323 concurrent raises totaling $422.6 million). Raising the limit keeps that capital, and those investors, inside the fully disclosed, intermediated, FINRA-supervised channel. On this record, the requested exemption does not merely coexist with investor protection; it advances it.

IV. Conclusion

Petitioner notes that the relief requested here is also sought in File No. 4-889, which asks the Commission to raise the Regulation Crowdfunding limit to the same $20 million figure,

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[5] 15 U.S.C. § 77c(b)(2)(F) (“The Commission shall require the issuer to file audited financial statements with the Commission annually.”); see also id. § 77c(b)(2)(B)–(D) (requiring that securities be offered and sold publicly, that they be unrestricted, and that liability under Securities Act Section 12(a)(2) attach), and id. § 77c(b)(4) (ongoing periodic disclosure).

[6] See, e.g., Does the SEC Have Legal Authority to Exceed Statutory Dollar Limitations?, Mercatus Center Public Interest Comment on File No. S7-05-20 (2020).

reflecting the breadth of support for this reform.[7] For the reasons stated in the petition, the July 15 supplement, and this submission, Petitioner respectfully renews its request that the Commission amend Rule 100(a) of Regulation Crowdfunding to raise the offering limit to $20 million per 12-month period, indexed to inflation on the schedule provided in Section 4A(h), acting pursuant to its authority under Sections 28 and 19(a) of the Securities Act. Petitioner would welcome the opportunity to discuss these matters with the Commission or its staff.

Respectfully submitted,

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[7]Rulemaking Petition, File No. 4-889 (docketed Mar. 4, 2026) (requesting, inter alia, an increase in the Regulation Crowdfunding offering limit from $5 million to $20 million).