

March 16, 2020

The Honorable Jay Clayton
Chairman
Securities and Exchange Commission
100 F St NE
Washington, DC 20549-1090

Re: Amending the “Accredited Investor” Definition (RIN 3235-AM19)

Dear Chairman Clayton:

Thank you for the opportunity to comment on the proposed rule that amends the “Accredited Investor” definition. We appreciate the hard work you and your colleagues at the Securities and Exchange Commission (SEC) have contributed to updating and modernizing this definition. The proposal allows for individuals with exhibited knowledge and expertise to participate in America’s private securities markets allowing our Main Street investors broader access to our capital markets, which we believe is vitally important to our overall financial ecosystem.

We have long advocated expanding the definition of accredited investor as evidenced by our legislation, the Fair Investment Opportunities for Professional Experts Act, which was initially introduced in the 114th Congress with subsequent introductions in the 115th and 116th Congresses.¹ The legislation has received significant bipartisan support, notably by initially being voted favorably out of the House with a vote of 347 – 8 on February 1, 2016. With this strong support, we believe these vital aspects of the legislation should be incorporated as part of the final regulation to reflect the perspectives of many Members of Congress.

Our comments relate to the “Professional Certifications and Designations and Other Credentials” provision. We believe the professional qualifications as currently proposed are narrower than what was intended with our legislation. We appreciate that the SEC has proposed to expand the definition to include individuals with certain professional certifications. We included this in our legislation text as well. However, we also believe that any certain other individuals that have demonstrable education or job experience should be able to invest in their area of expertise.² For example, a practicing doctor should be able to invest in a telehealth business or a farmer should be able to invest in a more efficient tractor or

¹ H.R. 2187. 114th Cong. Introduced on 4/30/2015 by Reps. Schweikert (R-AZ) and Sinema (D-AZ); H.R. 1585. 115th Cong. Introduced on 03/16/2017 by Reps. Schweikert (R-AZ), Sinema (D-AZ), Royce (R-CA), Hill (R-AR), Maloney (D-NY), Yoho (R-FL), LaMalfa (R-CA), Hultgren (R-IL), Gottheimer (D-NJ), Davidson (R-OH), Polis (D-CO); S. 2756. 115th Cong. Introduced on 04/25/2018 by Sens. Tillis (R-NC) and Cortez Masto (D-NV); H.R. 4762. 116th Cong. Introduced on 10/18/2019 by Reps. Hill (R-AR), Schweikert (R-AZ), Steil (R-WI), Davidson (R-OH), Gonzalez (R-OH).

² Fair Investment Opportunities for Professional Experts Act, H.R. 4762, 116th Cong. (2019). §2(E)

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new type of fertilizer as long as they can demonstrate their knowledge and experience in that field. Based on the questions posed in the proposal, we know the SEC is analyzing this suggestion and we encourage you to incorporate it into the final regulation.

Thank you for your diligent and valuable work to reform the SEC “accredited investor” definition. We acknowledge that this is a difficult undertaking for the SEC and is difficult to determine, implement and enforce years of experience as a metric to determine if an individual is considered an accredited investor. However, we believe this is an important change to our private securities market that will help maintain a strong financial sector in the United States and will greatly benefit our Main Street investors.

We appreciate your attention to this matter and look forward to working together to stimulate private investment opportunities. Please do not hesitate to reach out if we can be of assistance.

Sincerely,



J. French Hill
Member of Congress



Thom Tillis
United States Senator



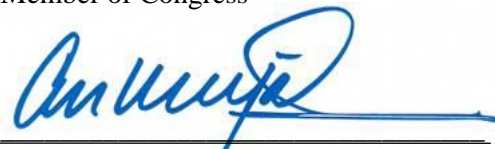
Pat Toomey
United States Senator



David Schweikert
Member of Congress



Bryan Steil
Member of Congress



Anthony Gonzalez
Member of Congress



Warren Davidson
Member of Congress