



U.S. Securities and Exchange Commission  
**Small Business Capital Formation  
Advisory Committee**

September 9, 2022

The Honorable Gary Gensler  
Chair  
U.S. Securities and Exchange Commission  
100 F Street NE  
Washington, DC 20549-1070

Dear Chair Gensler:

On behalf of the SEC Small Business Capital Formation Advisory Committee, we are pleased to submit the recommendation approved at the Advisory Committee's August 2, 2022 meeting, where the Committee discussed secondary market liquidity issues.

Provided that statutory authority can be established, the Committee recommends that the Commission, on a pilot basis, provide federal preemption from state regulation for secondary sales by investors of securities initially sold pursuant to Tier 2 of Regulation A. This recommendation is limited to issuers current in their ongoing reports and whose primary offering was subject to Staff review.<sup>1</sup>

Respectfully submitted on behalf of the Advisory Committee,

Carla Garrett  
Committee Chair

Jeffrey Solomon  
Committee Vice Chair

CC:    Commissioner Hester M. Peirce  
          Commissioner Caroline A. Crenshaw  
          Commissioner Mark T. Uyeda  
          Commissioner Jaime Lizárraga

**Donnel Baird**  
Founder  
BlocPower  
New York, NY

**Kesha Cash**  
Founder and General Partner  
Impact America Fund  
Oakland, CA

**Robert Fox**  
National Managing Partner, Professional  
Standards Group  
Grant Thornton LLP  
Chicago, IL

**Carla Garrett**  
Corporate Partner  
Potomac Law Group PLLC  
Washington, DC

**Stephen Graham**  
Corporate & Securities Partner  
Fenwick & West LLP  
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**Sara Hanks**  
CEO and Co-Founder  
CrowdCheck, Inc.  
Alexandria VA

**Youngru Lee**  
CEO and Co-Founder  
NextSeed  
Houston, TX

**Brian Levey**  
Chief Business Affairs and Legal Officer  
Upwork Inc.  
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**Sapna Mehta**  
General Counsel & Chief Compliance Officer,  
Rise of the Rest Seed Fund; Associate  
General Counsel, Revolution  
Washington, DC

**Catherine Mott**  
Founder & CEO of BlueTree Capital Group,  
BlueTree Allied Angels, BlueTree Venture  
Fund  
Pittsburgh PA

**Jason Seats**  
Chief Investment Officer  
Techstars  
Austin, TX

**Jeffrey M. Solomon**  
Chief Executive Officer  
Cowen, Inc.  
New York, NY

**Hank Torbert**  
President  
AltaMax, LLC  
New Orleans, LA

**Sue Washer**  
President & CEO  
Applied Genetic Technology Corporation  
Gainesville, FL

**Gregory Yadley**  
Partner  
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**Greg Dean**  
Senior Vice President  
Office of Government Affairs, FINRA  
Washington, DC

**Andrea Seidt**  
Ohio Securities Commissioner of the Ohio  
Securities Department of Commerce;  
Columbus, OH

**Bailey DeVries**  
Associate Administrator for the Office of  
Investment & Innovation  
U.S. Small Business Administration  
Washington, DC

**Marc Sharma**  
Chief Counsel, Office of the Investor  
Advocate  
U.S. Securities and Exchange Commission  
Washington, DC

<sup>1</sup> Voting member Robert Fox and non-voting member Andrea Seidt expressed at the meeting that they did not support the recommendation.