



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.¹

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
Seattle, WA

Sara Hanks
CEO and Co-Founder
CrowdCheck, Inc.
Alexandria, VA

Youngro Lee
CEO and Co-Founder
NextSeed
Houston, TX

Brian Levey
Chief Business Affairs and Legal Officer
Upwork Inc.
San Francisco, CA

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
Shumaker, Loop & Kendrick, LLP
Tampa, FL

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

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