



October 10, 2017

The Honorable Jeb Hensarling
Chairman, House Committee on Financial
Services
2228 Rayburn House Office Building
Washington, DC 20515

The Honorable Maxine Waters
Ranking Member, House Committee on Financial
Services
2221 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Hensarling and Ranking Member Waters,

The Securities Industry and Financial Markets Association (SIFMA)¹ urges the House Committee on Financial Services to approve H.R. 1585, Fair Investment Opportunities for Professional Experts Act. Introduced by Representatives David Schweikert and Kyrsten Sinema, the bill is notable as it would allow Americans to qualify as accredited investors by virtue of their education and job experience.

Financial professionals are uniquely well-suited to evaluate the risks and merits of prospective investments, and access to accredited investors is critical for private businesses unable to access public capital markets. Unfortunately, the current definition of accredited investor relies on net worth thresholds for individuals and households irrespective of the sophistication of the would-be investors. By excluding individuals whose professional experience qualifies them to purchase restricted securities, the current standard unfairly limits Americans' participation in capital markets and should be amended.

H.R. 1585 will facilitate capital formation by increasing the total number of Americans eligible to purchase restricted securities, and allow broker-dealers and financial advisors to invest in early-stage and private companies. SIFMA urges both Committee and House of Representatives passage of this commonsense legislation, and we appreciate the bipartisan attention that has been paid to this issue.

Sincerely,

Andy Blocker
Executive Vice President
Public Policy & Advocacy

cc: The Honorable David Schweikert; The Honorable Kyrsten Sinema; The Honorable French Hill

¹ SIFMA is the voice of the U.S. securities industry. We represent the broker-dealers, banks and asset managers whose nearly 1 million employees provide access to the capital markets, raising over \$2.5 trillion for businesses and municipalities in the U.S., serving clients with over \$20 trillion in assets and managing more than \$67 trillion in assets for individual and institutional clients including mutual funds and retirement plans. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA). For more information, visit <http://www.sifma.org>.