



June 20, 2018

The Honorable Jeb Hensarling
Chairman
House Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

The Honorable Maxine Waters
Ranking Member
House Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Hensarling and Ranking Member Waters,

The Securities Industry and Financial Markets Association (SIFMA)¹ writes in support of H.R. 6130, the Helping Startups Continue to Grow Act of 2018. Introduced by Representative Keith Rothfus (R-PA), this bill would encourage more companies to go public by extending the Emerging Growth Company (EGC) on-ramp.

The cornerstone of the Jumpstart Our Business Startups (JOBS) Act of 2012 was its creation of an IPO on-ramp that scaled disclosure requirements, reducing their cost of accessing our public capital markets. The scaled disclosure requirements have proven valuable to issuers trying to raise the funds they need to hire workers and develop new technologies. Importantly, scaled disclosure did not dampen investor interest in EGC securities and by encouraging more companies to go public, Congress created new opportunities for everyday retail investors to participate in the wealth creation made possible by our public markets. An expansion of the on-ramp from five to ten years for companies that would otherwise retain EGC status would build on one of the most successful pieces of the JOBS Act and help make our public markets more vibrant and dynamic.

As the number of public companies declines, policymakers must ensure our public markets remain the envy of the world. Measures such as H.R. 6130 will encourage more companies to go public without compromising investor protection, and SIFMA supports the adoption of this important legislation.

Sincerely,

A handwritten signature in blue ink, appearing to read "David J. Oxner".

David J. Oxner
Managing Director, Head of Federal Government Relations
SIFMA

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).