



---

NORTH AMERICAN SECURITIES ADMINISTRATORS ASSOCIATION, INC.

750 First Street N.E., Suite 1140  
Washington, D.C. 20002  
202-737-0900  
www.nasaa.org

June 10, 2022

The Honorable Maxine Waters  
Chairwoman  
House Committee on Financial Services  
2129 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Patrick McHenry  
Ranking Member  
House Committee on Financial Services  
2129 Rayburn House Office Building  
Washington, D.C. 20515

Re: H.R. 7977, the Promoting Opportunities for Non-Traditional Capital Formation Act

Dear Chairwoman Waters and Ranking Member McHenry:

On behalf of the North American Securities Administrators Association, Inc. (“NASAA”),<sup>1</sup> I am writing to express support for H.R. 7977, the Promoting Opportunities for Non-Traditional Capital Formation Act. We urge the House Financial Services Committee to approve this legislation on a swift, bipartisan basis.

In short, this bill would require the SEC’s Advocate for Small Business Capital Formation (the “Advocate”) to provide educational resources and host events to promote capital raising options for traditionally underrepresented small businesses and businesses located in rural areas. In addition, it would require the Advocate to meet at least annually with representatives of state securities regulators to discuss opportunities for collaboration and coordination with respect to these efforts.

We support this legislation because it would assist in providing educational resources to underrepresented small business owners as well as entrepreneurs in rural areas. The legislation would also strengthen collaboration and coordination between regulators. While we appreciate the efforts of the prior Advocate to engage state regulators, we believe an annual meeting requirement would ensure such engagement occurs on a more regular basis. Moreover, it potentially would prompt ongoing discussions and collaboration between the Advocate and state securities regulators. As then-SEC Commissioner Michael Piwowar said in 2017, “For a capital formation agenda to succeed, it is essential that state and federal regulators work together to support the businesses that seek to engage in these offerings while also protecting investors.”<sup>2</sup>

---

<sup>1</sup> Organized in 1919, NASAA is the oldest international organization devoted to investor protection. NASAA’s membership consists of the securities administrators in the 50 states, the District of Columbia, Canada, Mexico, Puerto Rico, and the U.S. Virgin Islands. NASAA is the voice of securities agencies responsible for grassroots investor protection and efficient capital formation.

<sup>2</sup> SEC Commissioner Michael Piwowar, [Opening Remarks at 2017 SEC/NASAA Annual Section 19\(d\) Conference](#) (May 9, 2017).

Thank you for your consideration of NASAA's comments. Should you have any questions, please contact Kristen Hutchens, NASAA's Director of Policy and Government Affairs, and Policy Counsel, at [khutchens@nasaa.org](mailto:khutchens@nasaa.org).

Sincerely,

A handwritten signature in black ink that reads "Melanie Senter Lubin". The signature is written in a cursive style with a large initial 'M' and a long, sweeping underline.

Melanie Senter Lubin  
NASAA President  
Maryland Securities Commissioner