

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

NEIL L. BRADLEY
EXECUTIVE VICE PRESIDENT &
CHIEF POLICY OFFICER

1615 H STREET, NW
WASHINGTON, DC 20062
(202) 463-5310

July 10, 2018

The Honorable Jeb Hensarling
Chairman
Committee on Financial Services
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Maxine Waters
Ranking Member
Committee on Financial Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Hensarling and Ranking Member Waters:

The U.S. Chamber of Commerce supports several bills the Committee is scheduled to markup on June 11, 2018. The Chamber commends the Committee for its continued work to improve the U.S. capital markets and to implement policies that will help more businesses go and stay public.

H.R. 6021, the “Small Business Audit Correction Act of 2018,” would exempt privately-held non-custodial brokerage firms from a requirement to have a Public Company Accounting Oversight Board (PCAOB)-registered firm conduct their annual audit. Small broker-dealers are often important sources of capital for startups or small businesses around the country, and there is no compelling reason to subject them to an audit process that is more fitting of a large company.

H.R. 6177, the “Developing and Empowering Our Aspiring Leaders Act,” would expand the definition of a “qualifying investment” in venture capital funds to include certain equity securities bought on the secondary market. It would allow venture funds to continue to play an important role in deploying capital to growing businesses without having to undergo costly registration requirements.

H.R. 1611, the “Gender Diversity in Corporate Leadership Act of 2017,” would establish an advisory group at the Securities and Exchange Commission (SEC) to explore ways to increase the gender diversity amongst the boards of public companies. Because women have historically been underrepresented on boards, we believe this legislation is an important step to increase the diversity of public company boards.

H.R. __, the “Expanding Investment in Small Businesses Act,” would require the SEC to study whether diversified mutual funds should be permitted to take a larger stake in the voting shares of individual companies. Concerns have been raised that the current 10% threshold limits the amount available for investment in small companies. This legislation could expand the pool of capital available to emerging growth companies and other small issuers.

We look forward to working with the Committee and Congress as these bills advance through the legislative process.

Sincerely,

A handwritten signature in blue ink, appearing to read "Neil L. Bradley". The signature is fluid and cursive, with a large loop at the end.

Neil L. Bradley

cc: Members of the House Committee on Financial Services