



April 4, 2022

Sen. Sherrod Brown, Chair  
Senate Banking, Housing and Urban Affairs  
Committee  
U.S. Senate  
Washington, D.C. 20510

Sen. Pat Toomey, Ranking Member  
Senate Banking, Housing and Urban Affairs  
Committee  
U.S. Senate  
Washington, D.C. 20510

Dear Chair Brown and Ranking Member Toomey:

On behalf of its membership, the Small Business Investor Alliance (“SBIA”) endorses the Senate Banking, Housing and Urban Affairs’ JOBS Act 4.0, a comprehensive package of legislative reforms that would help improve capital access and investor protections. The SBIA is the national association that represents private funds investing in small businesses, business development companies (BDCs), small business investment companies, (SBICs), rural business investment companies (RBICs), and their investors. SBIA and its members promote a healthy climate for small business investment and job creation.

The proposed agenda includes many practical proposals that offer common-sense investor protections and streamlined regulations. SBIA recognizes the value of effective regulation that promotes a healthy environment for domestic investment and is sensitive to the burdens placed on small businesses. In particular, the package includes provisions that would:

- Expand access to wealth creating investments by permitting individuals to qualify as an “accredited investor” by passing a SEC-developed skills exam;
- Expand the scope of the SEC’s Office of Advocate for Small Business Capital Formation to explore and report about capital access issues facing rural-area small businesses; and,
- Direct the SEC to correct their rules to ensure that accurate information is reported to BDC investors.<sup>1</sup>

SBIA believes that this legislative package, if enacted into law, offers practical tools that would help expand access to capital for many small businesses, enable additional protections for investors, and encourage economic growth through our domestic capital markets.

SBIA applauds this collection of market reforms and urges Congress to move quickly to pass them.

Sincerely,

Brett Palmer  
President

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<sup>1</sup> Specifically, this bipartisan proposal, which also has a bipartisan House companion with 16cosponsors currently including senior members of the House Financial Services Committee, would change the SEC’s 2006 acquired fund fees and expenses (“AFFE”) rule for institutional and index funds that invest in BDCs.