Prepared Testimony of Kenneth E. Bentsen, Jr., President and CEO

Securities Industry and Financial Markets Association (SIFMA)

Before the U.S. Senate Committee on Banking, Housing, and Urban Affairs

Hearing Entitled, Empowering Main Street by Unlocking Access to Capital

August 6, 2026

Introduction

Chairman Scott, Ranking Member Warren, and distinguished members of the Committee, thank you for the opportunity to testify today at this hearing on enhancing public capital formation in the United States. My name is Ken Bentsen, and I am the President and CEO of the Securities Industry and Financial Markets Association (SIFMA).[1]

SIFMA has long supported legislative and regulatory efforts to encourage companies to go and remain public by ensuring the costs and requirements associated with becoming a public company are appropriately tailored, allowing issuance to flourish without introducing unnecessary risks to investors or the broader market. The JOBS Act, passed by Congress in 2012 with SIFMA's support, is a prime example of how legislation can help companies access public markets and secure funding for growth. We believe this benefits not only issuers, but also investors by providing greater opportunities to participate in long term wealth creation. Equally important, it supports broader economic growth and job creation by encouraging investment in businesses, facilities, and equipment.

We believe a vibrant initial public offering (IPO) market is critical for job creation and economic growth in the U.S., helping businesses raise capital efficiently, create high-quality jobs and maintain America's position as the world's leading destination for entrepreneurship and investment. At the same time, supporting stronger public markets does not mean diminishing the role of private markets. Both play important and complementary roles in capital formation. While private markets provide valuable financing options, policymakers should seek to reverse the long decline in public company listings and IPOs so that companies and investors can benefit from robust opportunities across both public and private markets.

Becoming a public company in the United States can provide significant strategic and financial benefits for the issuer. By conducting an IPO, a company gains access to a broader pool of capital that can be used to fund growth initiatives, invest in innovation, pursue acquisitions, and strengthen its overall financial position. Public companies also benefit from increased visibility and credibility among customers, suppliers, investors, and potential business partners, which can enhance brand recognition and market confidence.

In addition, publicly traded stock can serve as a valuable engine for mergers and acquisitions, and a powerful tool for attracting, retaining, and incentivizing employees through equity-based compensation programs. Furthermore, access to the public capital markets can make it easier and more cost-effective to raise additional funds in the future, supporting long-term growth and strategic flexibility. Collectively, these advantages can enhance a company's competitive position and provide a strong foundation for sustained expansion, long-term value creation, and continued success.

Buying shares of a public company also offers individual and institutional investors and the broader public significant benefits. Going public opens corporate ownership to Main Street investors, democratizing wealth creation and allowing retail investors through savings and retirement accounts and institutional funds through mutual funds, ETFs and pension plans to participate directly in capital formation.

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[1] SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry's nearly 1 million employees, we advocate for legislation, regulation, and business policy, affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association.

Liquidity and public price formation further distinguish public markets; shares can generally be bought and sold with relative ease in the secondary markets at transparent prices, giving investors the flexibility to reallocate capital as their financial needs or market conditions change. In addition, public companies enjoy broader access to capital markets for follow-on equity offerings and debt issuances. This capital facilitates large-scale research, infrastructure expansion and regional job creation, ultimately driving long-term value creation for both shareholders and the broader economy. The combination of tailored regulatory oversight, liquidity, enhanced transparency, and broad-based economic participation makes public companies a foundational investment option for all types of investors.

SEC Chairman Paul Atkins has noted that, “when more companies become public, especially earlier in their life cycle, all workers and savers – not just the select few with access to the private markets – can participate in the prosperity of the next generation of American entrepreneurs and business enterprises.”[2] We agree with Chairman Atkins that “incentivizing more companies to go and stay public ultimately serves to protect and benefit investors.”[3]

Data Trends in the Number of Public Companies and IPOs in the Last 25 Years

While the market value of U.S.-listed equities has increased more than fivefold over the past quarter century—from approximately $15 trillion in 2000 to nearly $77 trillion at the end of Q2 2026—the number of publicly listed companies has moved in the opposite direction. The U.S. public company universe has contracted from approximately 7,200 firms to 5,532 over the same period, a decline of nearly 25%. Whereas the U.S. averaged 459 IPOs annually during the 1990s, the average since 2020 has fallen to just 196.[4]

Existing public companies have likewise become less frequent users of equity capital markets. After peaking during the middle of the last decade, follow-on equity issuance has moderated both in frequency and in dollars raised. Companies raised approximately $876 billion and $870 billion through follow-on offerings during the five-year periods ending in 2015 and 2020, respectively. By comparison, aggregate proceeds declined to $733 billion during the five years ending in 2025. Over the same periods, the number of issuers completing follow-on offerings fell from more than 3,300 to roughly 2,850.

While there are likely several factors that have contributed to these broad trends, from structural shifts in how U.S. businesses finance growth to regulatory factors that may influence companies' decisions to go public, these statistics show that an increasing portion of corporate growth is occurring outside the reach of public market investors as fewer companies access-or return to-the public equity markets

Even so, there is ample evidence that the JOBS Act has expanded access to the public capital markets for smaller companies, facilitating capital formation through a more efficient and less burdensome IPO process. Ahead of the passage of the JOBS Act in 2012, an average of 28 companies per year went public with listings below $50M. Since 2013, this figure has nearly doubled to 54. More broadly, emerging growth companies (EGCs) have raised almost $440B across more than 2,100 offerings.

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[2] Paul S. Atkins, Chairman, Securities and Exchange Commission, Statement on Proposing Releases for Enhancement of Emerging Growth Company Accommodations and Simplification of Filer Status for Reporting Companies, and Registered Offering Reform, (May 19, 2026), https://www.sec.gov/newsroom/speeches-statements/atkins-statement-on-proposing-releases-for-enhancement-of-emerging-growth-company-accommodations-and-simplification-of-filer-status-for-reporting-companies-and-registered-offering-reform-051926.

[3] Id.

[4] These figures exclude BDCs, SPACs, ETFs, CLEFs and rights offers.

Notwithstanding the success of the JOBS Act, we believe policymakers should continue to evaluate whether existing regulations appropriately balance investor protection with the cost and complexities associated with becoming and remaining a public company. While strong investor safeguards remain essential, the cumulative burden of disclosure, compliance and reporting requirements can discourage companies from entering the public markets or incentivize them to remain private. Reducing unnecessary costs, modernizing disclosure requirements and tailoring regulations can help strengthen the attractiveness of going public while preserving critical investor protections.

Legislative and Regulatory Steps to Address Declines in the Number of Listed Companies and IPOs

SIFMA supports the recent legislative and regulatory steps to encourage more companies to go and stay public, including the House of Representatives' recent passage of the INVEST Act.[5] This bipartisan legislative package included several important provisions aimed at increasing public company issuance, expanding market access for retail investors, reducing unnecessary burdens on market participants, and promoting continued growth, capital formation and innovation in U.S. capital markets. For example, one provision SIFMA supported (the *Encouraging Public Offerings Act of 2025*, H.R. 3381) would extend the JOBS Act's "testing the waters" and confidential draft registration submission provisions to all issuers, helping to streamline the IPO process and reduce barriers for companies seeking to access the public markets.

In addition to legislative activity, the SEC recently proposed two new rules aimed at advancing capital formation and encouraging more companies to enter and remain in the public markets. The SEC's proposed Registered Offering Reform rule would, among other things, significantly expand the number of companies eligible to utilize the Commission's flexible shelf registration process, as well as certain benefits currently available only to so-called "well-known seasoned issuers" (WKSIs), which generally are very large public companies.[6] Shelf registration allows a company to register securities with the SEC and then access the public markets when it determines market conditions are favorable, providing greater flexibility and efficiency in raising capital over an extended period.

In addition, the SEC's proposed Filer Status rule would simplify the Commission's existing issuer classification framework by consolidating public companies into just two categories: large, accelerated filers and non-accelerated filers.[7] Importantly, the proposal would extend scaled disclosure accommodations currently available to EGCs to all non-accelerated filers, a group the SEC estimates represents approximately 80.8% of all public companies. These accommodations include, among other things, additional time to file quarterly reports and a temporary exemption from the requirement to obtain an auditor's attestation on a company's internal controls over financial reporting.

As noted in our comment letter to the SEC, we strongly support both the Registered Offering Reform and Filer Status proposals and encourage the Commission to adopt targeted revisions to the proposals that would further advance capital formation and strengthen incentives for companies to enter and remain in public markets.[8]

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[5] *Id*.

[6] Release Nos. 33-11418, 34-105513, IC-36160 (May 19, 2026), 91 FR 31022 (May 26, 2022). SIFMA notes that the provision in the INVEST Act seeking to expand the definition of WKSIs would need to be reevaluated in light the Commission's proposed Registered Offering Reform rule.

[7] Release Nos. 33-11419, 34-105515 (May 19, 2026), 91 FR 30086 (May 21, 2026).

[8] Letter from Kenneth E. Bentsen, Jr., President & CEO, SIFMA to Vanessa A. Countryman, Secretary, Securities and Exchange Commission (July 27, 2026), https://www.sec.gov/comments/S7-2026-18/s7202618-977120-3054308.pdf.

SIFMA also supports other recent regulatory initiatives designed to increase the attractiveness of the public markets, including recent efforts by both the SEC and FINRA to expand issuer research coverage. Broader research coverage can enhance a public company's visibility with institutional and retail investors, bolstering liquidity. As SEC Commissioner Mark Uyeda recently noted, this type of increased visibility is especially important for small and medium sized companies.[9] Specifically, SIFMA supports the SEC's proposed expansion of the Rule 139 safe harbor as part of its Registered Offering Reform proposal, which would facilitate the publication of research during the security offerings and increase the availability to investors. We also support FINRA's efforts to modernize Rule 2241, which governs research analysts and research reports, and we encourage the SEC to work closely with FINRA to advance these reforms.

Additional Measures to Promote Capital Formation

In addition to expanding companies' access to public markets as noted above, Congress should also consider policies that broaden investment opportunities for retail investors, minimize unnecessary regulatory barriers, and facilitate the efficient flow of capital to growing businesses. Targeted reforms in these areas can strengthen the competitiveness of the U.S. capital markets while preserving robust investor protections.

Congress should ensure that participants in all retirement plans have access to comparable investment opportunities. Under current law, participants in 403(b) plans lack access to certain investment vehicles available to savers in 401(k) plans and the federal Thrift Savings Plan. Establishing parity would give employees of educational institutions, charities, and nonprofit organizations access to the same products available to other retirement savers, helping them build long-term financial security and retirement readiness. The *Retirement Fairness for Charities and Educational Institutions Act of 2025 (S.424),* introduced by Sens. Katie Britt and Raphael Warnock, would amend securities laws to expand investment options for 403(b) retirement plans, ensuring that Americans who serve in the education and nonprofit sectors can save for retirement as securely and effectively as workers in other sectors.

Additionally, Congress should promote responsible pathways for retail investors to access a broader range of investment opportunities. As Commissioner Uyeda has previously observed, "our capital markets can have vibrant private and public markets at the same time, and our regulatory regime should aim for that result."[10] However, many private-market investments remain largely inaccessible to ordinary investors, limiting their ability to participate in areas of the market that have generated significant growth. Ensuring the ability of closed-end funds to invest in private funds would provide retail investors with access to professionally managed, regulated vehicles that offer exposure to private markets while preserving the investor protections associated with registered investment companies. While the SEC staff has taken steps within the last year to broaden investment opportunities through registered funds of private funds, the *Increasing Investor Opportunities Ac*t (S.3671), introduced by Sens. Steve Daines and Mike Rounds, would codify the ability of closed-end investment companies to invest in private funds and help ensure a more consistent and equitable regulatory framework for retail investors.

Congress should remove outdated requirements that may discourage investment in vehicles designed to channel capital to growing businesses. Modernizing the fee and expense disclosure requirements applicable to investments in Business Development Companies (BDCs) would improve the accuracy of information provided to investors and reduce the risk of misleading disclosures.

[9] Mark T. Uyeda, Commissioner, Securities and Exchange Commission, "Statement on the Global Research Analyst Settlement," (Dec. 5, 2025), https://www.sec.gov/newsroom/speeches-statements/uyeda-statement-global-research-analyst-settlement-120525.

[10] https://www.sec.gov/newsroom/speeches-statements/uyeda-remarks-securities-regulation-institute-012224

These reforms would support capital formation by facilitating investment in vehicles that play an important role in providing financing to small and emerging businesses. The *Access to Small Business Investor Capital Act* (S.1808), introduced by Sens. David McCormick and Angela Alsobrooks would modernize disclosure requirements for investment funds investing in BDCs, helping expand access to capital for small businesses while improving transparency for investors.

Modernizing investor communication requirements to reflect how investors access information in the digital age is also an important component of a well-functioning capital formation ecosystem. Updating securities regulations to permit electronic delivery as the default method of providing certain required investor communications would reduce unnecessary costs, improve the accessibility and usability of disclosures, and enhance the efficiency of capital markets while preserving investors' ability to opt for paper delivery. SIFMA has long supported legislative and regulatory reforms that would establish electronic delivery as the default method for delivering required investor communications and disclosures to customers

SIFMA urges Congress and regulators to continue advancing comprehensive capital formation measures that incorporate the provisions discussed above. Together, these reforms would modernize outdated requirements, expand investment opportunities, and enhance access to financing for growing businesses while maintaining important investor protections and promoting fair and efficient markets.

Conclusion

The United States has long benefited from having the deepest, most liquid, and most dynamic capital markets in the world. Public markets are central to that success, enabling companies to raise capital, create jobs, invest in innovation, and grow their businesses. Markets also provide investors, including workers, retirees, and families with opportunities to participate in the growth and prosperity of American enterprises.

Yet the long-term decline in the number of public companies and IPOs demonstrates that policymakers cannot take the strength and vitality of our public markets for granted. While recent legislative initiatives and regulatory proposals represent important progress, additional reforms are needed to ensure that the costs and regulatory requirements associated with accessing and remaining in the public markets are appropriately calibrated and continue to support capital formation, economic growth, and investor participation.

Congress and regulators have an important opportunity to strengthen capital formation by encouraging more companies to go public, expanding investment opportunities, supporting retirement security, and modernizing outdated regulations. These efforts are not simply about helping issuers raise capital. They are about ensuring that Main Street investors, retirement savers, and American workers can participate in the growth of innovative companies and share in the wealth creation that has long been a hallmark of our capital markets.

SIFMA stands ready to work with this Committee, Congress, the SEC, and other policymakers to advance thoughtful reforms that promote capital formation, strengthen investor access to investment opportunities, and maintain strong investor protections. By pursuing policies that promote robust public markets and expand investment opportunities for American households, policymakers can help ensure that U.S. capital markets remain a leading source of innovation, economic growth, and prosperity for generations to come. We appreciate the Committee's attention to this important subject.

Appendix:

A. SIFMA's December 2025 INVEST Act support letter

December 5, 2025

The Honorable Mike Johnson
Speaker
U.S. House of Representatives
H-232, The Capitol
Washington, D.C. 20515

The Honorable Hakeem Jeffries
Minority Leader
U.S. House of Representatives
H-204, The Capitol
Washington, D.C. 20515

Re: The INVEST Act

Dear Speaker Johnson and Leader Jeffries,

The Securities Industry and Financial Markets Association (SIFMA)[1] and its member firms would like to express our appreciation for your work to modernize our securities laws with the consideration of the INVEST Act on the House floor. We applaud your continued efforts to advance legislation that will enhance capital access, strengthen public and private markets, and support entrepreneurs while protecting retail investors. This legislative package being considered includes important provisions that seek to increase market access for retail investors, reduce burdens on market participants, and promote continued growth and innovation in our capital markets. Accordingly, we urge Congress to pass the INVEST Act.

Recognizing the critical role the U.S. capital markets play in our economy, SIFMA was pleased to support the passage of the original JOBS Act in 2012. Now, over a decade later, that legislation has made great strides in reducing regulatory burdens that too often stand in the way of growth and innovation. Still, with the continuing evolution of our markets and market participants, we believe that it is now appropriate for Congress to consider additional enhancements to the securities laws that will reduce regulatory frictions and facilitate improved access to the U.S. capital markets.

We commend the House Financial Services Committee (HFSC) for holding numerous hearings on our capital markets and capital formation to allow for appropriate consideration and feedback from the public and interested stakeholders, and for crafting legislation that appropriately balances capital formation with investor protection. We especially applaud the bipartisan legislative efforts of the Committee, the results of which are reflected in the package under consideration. SIFMA is pleased to provide the following comments on the provisions of the INVEST Act.

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[1] SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry's one million employees, we advocate on legislation, regulation and business policy affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. For more information, visit http://www.sifma.org.

TITLE II – INCREASING OPPORTUNITIES FOR INVESTORS

Sec. 201. Fair Investment Opportunities for Professional Experts (H.R. 3394)
This provision would allow Americans to qualify as accredited investors by virtue of their education and job experience. The current definition of accredited investor relies on net worth thresholds for individuals and households regardless of the sophistication of the would-be investors. By excluding individuals whose professional experience or financial knowledge qualifies them to purchase restricted securities, the current standard unfairly limits Americans' participation in capital markets and limits the ability of private business to access capital through accredited investors. Financial professionals are well positioned to analyze the risks of investments, and accredited investors are a critical source of capital for businesses unable to access the public markets. SIFMA supports this provision.

Sec. 202. Retirement Fairness for Charities and Educational Institutions (H.R. 1013)
This provision would provide parity and uniformity across different types of retirement plans by permitting 403(b) plans to invest in Collective Investment Trusts (CITs) and insurance company separate accounts. Currently 403(b) plans are unable to invest in CITs and insurance company separate accounts even though other plan types such as 401k plans and Thrift Savings Plans (TSP) can invest in those vehicles. Providing parity in retirement plans will ensure all Americans can securely and effectively save for retirement. SECURE 2.0 included changes to the tax code to bring uniformity to 403(b) plans regarding their tax treatment, however, this legislation did not include the necessary changes to securities law to ensure 403(b) plans were granted a level playing field with other retirement plans. SIFMA supports this provision.

Sec. 203. Equal Opportunity for All Investors (H.R. 3339)
SIFMA broadly supports expanding the range of investors eligible to participate in private markets by broadening the definition of accredited investor with alternative indicators of financial sophistication besides wealth, provided that such indicators are clear, easy to evaluate, and do not create undue burdens on market participants subject to fiduciary duty and Reg BI obligations. Consistent with this goal, this provision would broaden the definition of accredited investor to include individuals who obtain certification through an examination testing knowledge of various objective criteria that are established by the SEC and administered by FINRA. By increasing the number of pathways for financially sophisticated, but not wealthy, individuals to qualify as an accredited investor, this provision would help expand access to private investments. SIFMA supports this provision.

Sec. 204. Senior Security (H.R. 1469)
This provision would create a "Senior Investor Taskforce" within the Securities and Exchange Commission charged with identifying problems senior investors encounter, including financial exploitation and cognitive decline, as well as identifying regulatory changes that could help senior investors. According to the National Council on Aging, financial abuse of elderly people costs victims as much as $36 billion annually. Congress and the SEC should take necessary steps to protect senior investors from bad actors and look for areas where securities law can conform to the challenges facing America's seniors. SIFMA strongly supports any efforts that focus on the most immediate and most damaging dangers faced by senior investors. SIFMA supports this

provision.

Sec. 205. Improving Disclosure for Investors (H.R. 2441)
This provision would direct the SEC to update its disclosure delivery rules to allow registered investment companies, business development companies, advisers, broker-dealers, transfer agents, and others to use electronic delivery ("e-delivery") as the default method of sending certain investor communications and disclosure documents to their customers as required under the securities laws. Importantly, the bill allows investors to choose to receive these documents in paper form via regular mail. Furthermore, customers who have not provided digital credentials to their account or to whom e-delivery is unsuccessful will automatically receive their documents in paper form via regular mail. A recent survey[2] shows that 85 percent of retail investors are comfortable with e-delivery. In the 118th Congress, this provision passed the House with strong bipartisan support. SIFMA supports this provision.

Sec. 206. Increasing Investor Opportunities (H.R. 3383)
This provision would prevent the SEC from setting limits for closed-end funds investing in private funds and would prevent private funds from circumventing anti-pyramiding fund of funds rules. We welcomed the SEC's recent reversal of the informal 15 percent cap on closed-end fund investment in private funds and support this provision, which would ensure closed-end funds retain the ability to determine the level of private fund investments that would best meet fund investment objectives and benefit shareholders into the future. This provision ensures retail investors have access to the benefits of investing in private markets. Importantly, this access would come through an investment adviser and registered investment company. Furthermore, this legislation would promote regulatory fairness and clarity by ensuring private funds are considered "investment companies" on a consistent basis, harmonizing the treatment of private funds with registered mutual funds for fund-of-fund anti-pyramiding rules. SIFMA supports this provision.

TITLE III – STRENGTHENING PUBLIC MARKETS

Sec. 302. Access to Small Business Investor Capital (H.R. 2225)
This provision would allow investment funds to exclude the operating expenses of business development companies ("BDCs") from their expense ratios if the underlying investment funds hold BDCs in their portfolio. Currently, registered investment funds are required to report these operating expenses of a BDC in the calculation of the in "Acquired Fund Fees and Expenses (AFFE)" if they invest in a BDC even when these expenses are not borne by the fund. This change would provide an accurate calculation of AFFE expenses related to investment in BDCs and treat BDCs like operating companies which are exempt from AFFE. SIFMA supports this provision.

Sec. 303. Encouraging Public Offerings (H.R. 3381)
This provision would allow all issuers of public securities to take advantage of the testing the waters and confidential draft registration submission provisions of the JOBS Act of 2012. The testing the waters and confidential draft registration submission allowances made by the JOBS Act for emerging growth companies have proven incredibly popular with issuers due to the flexibility it grants them to access public capital markets on more favorable terms. More importantly, these changes to the initial public offering process have conferred these benefits and encouraged more companies to go public without sacrificing investor protection. Extending these provisions to all issuers should improve the vibrancy of our public capital markets. SIFMA supports this provision.

Sec. 305. Middle Market IPO Underwriting Cost (H.R. 3395)
This provision would direct the Comptroller General of the United States, in consultation with the SEC and FINRA, to carry out a study of direct and indirect costs incurred in initial public offerings (IPOs) of small- and medium-sized companies. The U.S. has the largest equity markets, and our IPO market is consistently larger in volume and market capitalization than other similar economies such as the United Kingdom and Europe. Following years of decline, the U.S. experienced an uptick in IPOs after passage of the JOBS Act in 2012.

SIFMA appreciates the desire to consider costs associated with IPOs, however, any study needs to be properly tailored and consider all relevant factors. For example, SIFMA applauds the changes made to the original bill to ensure any study focuses not just on the underwriter's fees but also considers the fees from accountants, and other outside advisors, as well as the services underwriters provide to these types of companies when they are contemplating going public, including preparation for a public offering, and following an IPO. These services can include years of work to help companies prepare to go public, and significant aftermarket support such as research and trading in the company's shares. In addition to these changes, SIFMA recommends that any study should consider that, for every company that does go public, there are others that choose not to, even after preparation, notwithstanding the underwriter's initial investment. Any study should also consider account for both the competitive landscape among underwriters, the fee variation among deal size, and various public offering options to IPOs (e.g., direct listings and Dutch Auctions). Importantly, the SEC conducted a survey of public company CEOs in 2011 to consider the challenges and concerns about going public. Survey respondents raised multiple issues including regulatory pre- and post-IPO regulatory costs, research coverage, and small cap investor universe, but not underwriting fees. Any study should consider the regulatory costs associated with preparing and executing an IPO, including compliance with the federal and state securities laws as directed by the bill, and the regulatory costs associated with becoming a public company. SIFMA appreciates the Committee's work on this provision and applauds the changes made to the original legislation.

Sec. 307. Expanding Well-Known Seasoned Issuer (WKSI) Eligibility (H.R. 4430)
This provision would expand the universe of Well-Known Seasoned Issuers ("WKSIs") by updating the WKSI definition. The SEC classifies certain large widely followed issuers as WKSIs under Rule 405 of the Securities Act of 1933. Issuers with WKSI status benefit from greater flexibility in registration and investor communications. Most notably, registration statements filed by WKSIs become effective immediately and automatic upon filing. Lowering the public float threshold will allow more seasoned issuers to take advantage of the benefits provided by this provision under the Securities Act. SIFMA supports this provision.

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[2] https://www.sifma.org/wp-content/uploads/2022/07/SIFMA-Survey-Results-for-SEC-July-2022.pdf

SIFMA commends House leaders, Committee leaders, and the sponsors of this legislation for your work to advance commonsense, bipartisan solutions to enhance capital formation, reduce regulatory burdens, and promote economic growth. We encourage Congress to pass the INVEST Act and we look forward to continuing to work with you to strengthen our capital markets and protect investors.

Sincerely,

Kenneth E. Bentsen, Jr.
President and CEO

cc: Chairman French Hill, House Financial Services Committee
Ranking Member Maxine Waters, House Financial Services Committee