



January 30, 2026

Mr. Roger L. Patrick  
Division Counsel, Ohio Division of Securities  
[roger.patrick@com.ohio.gov](mailto:roger.patrick@com.ohio.gov)

*Re: Ohio Division of Securities Proposed Rule 1301:6-3-03(E)(12) (the "Proposal")*

Dear Mr. Patrick:

The Institute for Portfolio Alternatives ("IPA")<sup>1</sup> appreciates the opportunity to comment on the Proposal.

The Division proposes to amend Rule 1301:6-3-039(E) by adding the following exemption from the registration requirements of the Ohio Revised Code:

(12) Offerings deemed effective by a program administered by the North American Securities Administrators Association, if the Division has entered into an agreement to participate in such program.

Based on our discussion with the Commissioner on January 21, we learned that this provision is intended to apply to the Division's participation in the North American Securities Administrators Association ("NASAA") Coordinated Review Program for Regulation A Offerings, but it would also authorize the Division's future participation in coordinated review programs for other product offerings, such as those offered by our members.

The Proposal as written is not limited to Regulation A offerings. It is open-ended and applicable to all "offering[s] deemed effective" by NASAA. It, in fact, makes no reference to the Regulation A offerings or NASAA's Regulation A Coordinated Review Program.

**The state legislature has authorized the Division—and not NASAA or another state—to review and register offerings.**

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<sup>1</sup> For more than 40 years, the IPA has served as the leading voice for global asset managers, distributors and service providers in the private markets and alternative investment industry. We advocate for common sense regulation that gives investors access to diversification opportunities while ensuring that they are protected. We work at the federal level and with state securities commissioners, such as the Ohio Division of Securities, with dozens of member firms that register offerings in the state.



The language as currently proposed does not provide the public with notice of which coordinated review programs it contemplates now or in the future, nor does it reference the stated intent of applying only to Regulation A offerings.<sup>2</sup> Any decision to participate in a NASAA or multi-state coordinated review program of offerings filed with the Division constitutes a “rule” under the Ohio Revised Code.<sup>3</sup>

Before it could agree to participate in such a program, the Division must specifically state which coordinated review program the Division intends to participate in and comply with all of the rulemaking procedures mandated by the Ohio Revised Code.<sup>4</sup> The public should not be asked to comment on a proposed rule that gives the Division open ended authority to approve any coordinated review program, now or in the future, and administered by an organization outside of Ohio.

Finally, the IPA is not supportive of coordinated review programs as currently administered by NASAA. In fact, NASAA’s Coordinated Review Program for Regulation A offerings has not been a success. Tier 2 Regulation A offerings, which are not subject to the NASAA program, are far more popular than Tier 1 Regulation A offerings, which are subject to the NASAA program.

Only 91 issuers, receiving only \$354 million of aggregate proceeds, reportedly offered their securities under Tier 1 between 2015 and 2024, compared to 726 Tier 2 issuers and over \$9 billion of aggregate Tier 2 proceeds over the same period.<sup>5</sup>

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<sup>2</sup> The Buckeye Institute recently commented that “state officials should remain vigilant to ensure that new regulatory provisions and model rules are drafted in the light of day...” See “Beware the Trojan Horse of Rulemaking Nongovernment Organizations” 2, 9 (December 19, 2024), <https://www.buckeyeinstitute.org/library/docLib/2024-12-19-Beware-the-Trojan-Horse-of-Rulemaking-Nongovernment-Organizations-policy-report.pdf>.

<sup>3</sup> For example, Ohio Revised Code Sections 111.15 defines “rule” to include:

any . . . standard having a general and uniform operation adopted by an agency under the authority of the laws governing the agency . . . and any internal management rule.

<sup>4</sup> See, e.g., Ohio Revised Code Sections 111.15, 119.01, and 119.03.

<sup>5</sup> Michel and Kruse, “The Case for Micro-Offerings: A Commonsense Exemption for America’s Smallest Businesses” (Cato Institute, January 20, 2026) (citing Angela Huang, “Analysis of the Regulation A Market: A Decade of Regulation A,” Division of Economic and Risk Analysis, Securities and Exchange Commission, May 2025), <https://www.cato.org/briefing-paper/case-micro-offerings-commonsense-exemption-americas-smallest-businesses>.

As one well-regarded Regulation A practitioner said in discussing blue sky laws, “We’ve done literally hundreds of Tier 2s. We’ve done one Tier 1.”<sup>6</sup>

Because the Division has proposed an open-ended rule—outside of its stated intent—the Division must amend the Proposal to specify that program and provide the public with sufficient notice and an opportunity to comment on the Division as the Ohio Revised Code demands. **As currently written, the IPA strongly opposes the Proposal.**

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Thank you again for the opportunity to comment on the Proposal. Please contact Jeff Evans, IPA director of government affairs and policy ([jevans@ipa.com](mailto:jevans@ipa.com); 202-548-7185), if you have questions regarding the IPA’s comments.

Sincerely,



Anya Coverman  
President & CEO  
Institute for Portfolio Alternatives

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<sup>6</sup> Interview with Sara Hanks, CrowdCheck, [https://www.americanbar.org/groups/business\\_law/resources/podcast/regulation-a-with-sara-hanks/](https://www.americanbar.org/groups/business_law/resources/podcast/regulation-a-with-sara-hanks/). See also “Regulation A+: What Entrepreneurs Need to Know” (StartEngine), <https://www.startengine.com/blog/regulation-a-what-entrepreneurs-need-to-know> (“In general, we advise companies to use Tier 2 as Tier 1 offerings are not exempt from blue sky laws.”).