



NASS Resolution in Support of State Securities Regulation

Approved February 9, 2009

WHEREAS, the National Association of Secretaries of State (NASS) is an organization of member states and there is now a crisis in the United States and world financial markets which demonstrates the need for strong, effective securities regulation; and

WHEREAS, the losses suffered in the financial markets have damaged confidence in those markets, and have greatly harmed small and retail investors; and

WHEREAS, financial and property market crashes have created the need for government bailouts and financial rescue packages, and the cost of these bailouts will be borne by all taxpayers; and

WHEREAS, federal securities regulation has repeatedly proven to be inadequate to police the financial markets and protect investors; and

WHEREAS, the state securities agencies have effectively filled the gaps left by other regulators and have energetically protected retail investors; and

WHEREAS, NASS favors preserving a diversity of financial regulators, state and federal, that can act independently when such independence is warranted; and

WHEREAS, the financial services industry wishes for the regulatory authority of the states to be diminished or preempted because the states have regulated effectively and aggressively;

THEREFORE, NOW BE IT RESOLVED that the National Association of Secretaries of State (NASS) urges that the United States Congress and the President and the United States maintain and enhance the ability of the states to protect the investors and consumers residing in their states taking no action that would jeopardize, diminish, or preempt the existing authority of the states to investigate and prosecute investment fraud and other illegal investment activities by broker-dealers, investment advisers, their agents and representatives, financial planners, and any other persons or entities, whether licensed or unlicensed, engaged in activities in connection with the offer and sale of securities within a state.

BE IT FURTHER RESOLVED that NASS reaffirms its Resolutions on Securities Regulation adopted on February 15, 2004 (amended July 16, 2004), July 6, 2005, and July 28, 2008.

BE IT FURTHER RESOLVED that a copy of this resolution shall be forwarded to each member of the United States congress and to the President of the United States.

EXPIRES: Winter 2014

Adopted the 9th day of February 2009
in Washington, DC