

May 8, 2001

The Honorable Spencer Bachus
Chair
House Subcommittee on Financial Institutions and Consumer Credit
2129 Rayburn House Office Building
Washington, DC 20515

RE: H.R. 1408, The Financial Services Antifraud Network Act of 2001

Dear Mr. Chairman:

The North American Securities Administrators Association, Inc., (NASAA) supports your effort to facilitate information sharing amongst state and federal financial service regulators. State securities regulators recognize the importance of an efficient and cost-effective system of accessing the disciplinary information of all financial services professionals. We share your goal of giving regulators the tools necessary to protect investors in a coordinated manner and want to ensure Congress provides the funding necessary for the system to function effectively.

In addition, we support the provision in the legislation to allow the Securities and Exchange Commission (SEC) to give effect to certain enforcement actions brought by state securities regulators. This will allow the SEC and state regulators to maximize our enforcement resources.

NASAA appreciates the opportunity to work with the Committee to provide technical assistance and comments as H.R. 1408, the Financial Services Antifraud Network Act of 2001, evolves. The Committee staff has been responsive to many of our concerns, and we will continue to work with you to make the antifraud network one that works well for all financial services regulators.

We look forward to continuing to provide input as the legislative process moves forward. If you have any questions or need further information, please contact Deborah Fischione, NASAA's Director of Policy at 202-737-0900, ext. 102.

Sincerely,



Deborah R. Bortner
NASAA President
Washington Securities Director