



NASAA

NORTH AMERICAN SECURITIES ADMINISTRATORS ASSOCIATION, INC.

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Office of Regulations and Interpretations
Room N-5669
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20549-0609

Via e-mail to E-ORIEBS@dol.gov

**Attention: ERISA Investment Manager Electronic Registration NPRM
RIN 1210-AA94**

To the Office of Regulations and Interpretations:

The North American Securities Administrators Association, Inc. (NASAA)¹ is pleased to submit comments regarding the above-referenced notice of proposed rulemaking. We appreciate the opportunity to comment on this proposal to amend the definition of investment manager under section 3(38)(b) of Title I of the Employee Retirement Income Security Act of 1974 (ERISA). The revised rule would require all state-registered investment advisers seeking to obtain or maintain investment manager status under Title I of ERISA to register electronically through the Investment Adviser Registration Depository (IARD) with the states in which they maintain their principal offices and places of business. Currently, some state investment advisers may use paper forms to register, providing copies to the Secretary of Labor.

Section 3(38)(b) of ERISA already mandates that an investment manager under Title I must be registered as an investment adviser with either the Securities and Exchange Commission (SEC) or, if not qualified for SEC registration, with the state in which it has its principal place of business. SEC-registered firms now must use the IARD. The effect of the proposed rule thus would be that all SEC and state-registered ERISA investment managers would be required to use the IARD for registration as investment advisers.

¹ The oldest international organization devoted to investor protection, the North American Securities Administrators, Inc. was organized in 1919. Its membership consists of the securities administrators in the 50 states, the District of Columbia, Canada, Mexico and Puerto Rico. NASAA is the voice of securities agencies responsible for grass-roots investor protection and efficient capital formation.

With the exponential growth in the number of people calling themselves “investment advisers,” full information about investment professionals has become ever more important. The IARD was jointly developed by NASAA and the SEC to permit centralized electronic filing of registration applications, amendments and renewals. Because of the IARD system, federal and state regulators, as well as the investing public, now have easier and more up-to-date access to information about investment advisers.

Not all jurisdictions have mandated that every investment adviser register electronically over the Internet via the IARD. However, all states that license investment advisers² will accept IARD registration. Both SEC and state-registered advisers use Form ADV, the Uniform Application for Investment Adviser Registration, for this purpose. Thus, the proposed Department of Labor rule only would affect a small number of investment advisers. It would not limit a jurisdiction’s ability to permit other state registrants to file the Form ADV in hard copy.

NASAA thus supports the proposed rule. We believe it is good both for regulators and for the industry.

We note that the proposed rule provides a cross-reference to the SEC Internet website at <http://www.sec.gov/iard>. We believe that other cross references may be appropriate, as follows:

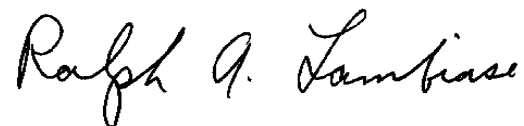
On NASAA’s home page (<http://www.nasaa.org>), clicking on “Find Regulator” in the left-hand column will bring up contact information for all state regulators. (The full link is http://www.nasaa.org/nasaa/abtnasaa/find_regulator.asp.)

Also from the NASAA home page, selecting “Investment Adviser” from the Main Menu leads to a number of useful links and other background. (See http://www.nasaa.org/nasaa/inadvisor/invest_adviser_overview.asp?nav_id=9.)

A link to the IARD information website (<http://www.iard.com>) also would seem worthwhile.

Should you have questions about NASAA’s comments, please feel free to contact Melanie Senter Lubin, Chair of NASAA’s CRD/IARD Steering Committee and Maryland Securities Commissioner, or Patricia Struck, Chair of the NASAA Investment Adviser Section and Administrator of the Wisconsin Division of Securities. NASAA Associate General Counsel Mark Davis also stands ready to provide necessary assistance.

Sincerely,



Ralph A. Lambiase
NASAA President and
Director, Connecticut Division of Securities

² Because Wyoming does not require registration of investment advisers, firms based in that State register with the SEC, and thus already file on IARD as federal advisers.