



July 15, 2025

The Honorable Mike Johnson (R-LA)  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Hakeem Jeffries (D-NY)  
Democratic Leader  
U.S. House of Representatives  
Washington, DC 20515

RE: Vote NO on H.R. 3633, the Digital Asset Market Structure Clarity Act

Dear Speaker Johnson and Democratic Leader Jeffries:

On behalf of the North American Securities Administrators Association, Inc. (“NASAA”),<sup>1</sup> I write to express opposition to the present version of H.R. 3633, the Digital Asset Market Structure Clarity (“CLARITY”) Act. This legislation would establish a legal and regulatory framework for digital commodities and other tradable assets markets, allocating federal jurisdiction between the U.S. Securities and Exchange Commission (“SEC”) and the Commodity Futures Trading Commission (“CFTC”).

Driving NASAA’s respectful opposition today is the commitment of state regulators to their work as fraud fighters and the concern that additional improvements will not be made to the legislation to ensure we can continue this important work. We are on the frontlines of fighting pig butchering scams and other frauds in the United States. The majority of our enforcement work originates from complaints submitted by the public or referrals made by other agencies, including the SEC, the Financial Industry Regulatory Authority (“FINRA”), and the CFTC.<sup>2</sup> Since 2017, we have taken over 330 enforcement actions involving fraudsters in the crypto ecosystem. Broadly, the fraud underlying these cases pertained to securities offerings, trading platforms, investment advisory services, Ponzi schemes, and crypto mining. There were even some cases where fraudsters went after already defrauded crypto investors, claiming they could help them recover their losses.<sup>3</sup>

Although we are urging a NO vote today, we appreciate the engagement to date with the U.S. House Committee on Financial Services (“HFSC”) in particular and the textual

<sup>1</sup> Organized in 1919, NASAA is the oldest international organization devoted to investor protection. NASAA’s membership consists of the securities administrators in the 50 states, the District of Columbia, Canada, México, Puerto Rico, the U.S. Virgin Islands, and Guam. NASAA is the voice of securities agencies responsible for grassroots investor protection and efficient capital formation.

<sup>2</sup> See NASAA, [NASAA 2024 Enforcement Report](#) (Oct. 22, 2024) at 3. In 2023, we received approximately 8,000 tips and complaints, a significant increase from the numbers reported in 2022 and 2021. We also received approximately 1,500 referrals from other agencies and institutions. The largest source of these referrals (608) came from the SEC or FINRA, an increase of more than 40% from the prior year. State and local law enforcement agencies made approximately 190 referrals to us

<sup>3</sup> See NASAA, [NASAA Urges Congress to Champion the States as Fraud Fighters](#) (July 7, 2025).

improvements made so far. Specifically, we appreciate the changes made between the mark-ups in June 2025 and today pertaining to Section 18(c) of the Securities Act of 1933.<sup>4</sup> We remain committed to working with the leadership of the HFSC and the U.S. Senate Committee on Banking, Housing, and Urban Affairs on additional textual changes that will benefit innovators and investors and help avoid or minimize the costs to regulators and taxpayers of litigation stemming from ambiguities in the legislation regarding the preservation of state securities laws.

Further, we want to express our gratitude again for the interest that we have received in recent years from the leadership of the U.S. Senate Committee on Agriculture, Nutrition, and Forestry and our past and ongoing collaborations with them on how best to preserve antifraud authorities under federal and state commodities laws. While our advocacy in the U.S. House of Representatives this year has prioritized our concerns and requests related to securities laws, this securities-focused advocacy has not been to the exclusion or deemphasis of our prior and continued desire to have clear state antifraud authorities under commodities laws as well. Again, ensuring any market structure legislation has clear state antifraud authorities will serve the interests of innovators, investors, regulators, and taxpayers.

In closing, while we urge a NO vote today, we remain committed to and are grateful for the ongoing, productive discussions regarding NASAA's requests for textual improvements. Should you or your colleagues have any questions, please do not hesitate to contact Kristen Hutchens, NASAA's Director of Policy and Government Affairs, and Policy Counsel, at [khutchens@nasaa.org](mailto:khutchens@nasaa.org).

Sincerely,



Leslie M. Van Buskirk  
NASAA President and  
Administrator, Division of Securities  
Wisconsin Department of Financial  
Institutions

Cc: Members of the U.S. House of Representatives

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<sup>4</sup> See [Rules Committee Print 119-6](#), U.S. House Committee on Rules (July 2, 2025) at 118. “(b) RULE OF CONSTRUCTION.—Nothing in this section, section 202, or the amendments made by such sections may be construed to limit the existing authority described in section 18(c)(1) of the Securities Act of 1933 (15 U.S.C. 77r(c)(1)) of a securities commission (or any agency or office performing like functions) of any State with respect to a covered security or any security.”