



NORTH AMERICAN SECURITIES ADMINISTRATORS ASSOCIATION, INC.

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November 18, 2025

The Honorable Tim Scott (R-SC)
Chairman
U.S. Senate Committee on Banking, Housing,
and Urban Affairs
Washington, DC 20515

The Honorable Elizabeth Warren (D-MA)
Ranking Member
U.S. Senate Committee on Banking, Housing,
and Urban Affairs
Washington, DC 20515

RE: NCSL Calls for the Preservation of the State Fraud-Fighting Role in Our Securities Markets

Dear Chairman Scott and Ranking Member Warren:

On behalf of the North American Securities Administrators Association, Inc. ("NASAA"),¹ I write to share with you a letter signed by the President and President-Elect of the National Conference of State Legislatures ("NCSL"). NCSL expresses concern with the Responsible Financial Innovation Act of 2025 dated September 5, 2025, stating the bill risks undermining the ability of states to protect their residents by preempting critical state consumer protection laws and enforcement tools. In addition, NCSL strongly urges Congress to include explicit language, such as NASAA's Support Anti-Fraud Enforcement Act 2.0, in any digital asset legislation that preserves state consumer protection laws and enforcement authority.

I appreciate your continued attention to the many stakeholders who like NASAA are calling on Congress to prioritize and preserve states' rights and authorities in your consideration of legislation that would shape the future of our securities and commodities markets. 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.

Sincerely,

Marni Rock Gibson
NASAA President

Enclosure

¹ NASAA's membership includes state securities and commodities regulators in the 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, and Guam, as well as regulators from Canada and México.



Nov. 11, 2025

The Honorable Tim Scott
Chairman, Senate Banking, Housing and
Urban Affairs Committee
U.S. Senate

The Honorable Elizabeth Warren
Ranking Member, Senate Banking,
Housing and Urban Affairs Committee
U.S. Senate

Marcus C. Evans Jr.

President, NCSL
Assistant Majority Leader,
Illinois

Barry Usher

President-Elect, NCSL
Senate Majority Whip,
Montana

Tim Storey

Chief Executive Officer,
NCSL

Dear Chairman Scott and Ranking Member Warren,

On behalf of the National Conference of State Legislatures, the bipartisan organization representing the legislatures of our nation's states, territories and commonwealths, we write to express our concern with the Responsible Financial Innovation Act of 2025 (RFIA). As currently drafted, the legislation would establish a new market structure for digital assets but risks undermining the ability of states to protect their residents by preempting critical state consumer protection laws and enforcement tools.

Federal agencies alone cannot bear the full burden of regulating and policing a rapidly evolving digital asset industry. In an environment of constrained federal resources, it is more important than ever to preserve the authority of states to act swiftly and effectively against fraud and misconduct. We urge Congress to ensure that any federal digital asset legislation explicitly preserves states' authority to combat fraud and protect investors.

Our nation's system of federalism was designed to delegate specific powers to the federal government while reserving others to the states including the power to protect the welfare of their citizens. States have long played a vital role in enforcing civil and criminal laws tailored to the needs and priorities of their citizens. This enforcement is grounded in laws enacted by state legislatures, reflecting the will of the people they represent.

A core responsibility of states is to safeguard consumers from deceptive practices and financial harm displayed by bad actors who seek to exploit them. States have already taken meaningful action, bringing dozens of enforcement cases against fraudulent schemes and misconduct in the digital asset space. These efforts have been essential in protecting consumers and maintaining market integrity.

Unfortunately, proposals such as the RFIA introduce federal frameworks that do not adequately preserve existing state consumer protection laws. Without a clear and robust savings clause, courts may interpret these laws as preempting state authority, leaving consumers vulnerable and states mired in litigation and unable to act.

We strongly urge Congress to include explicit language, such as NASAA's Support Anti-Fraud Enforcement Act 2.0, in any digital asset legislation that preserves state consumer protection laws and enforcement authority. States must continue to play a central role in protecting

consumers, deterring fraud and holding bad actors accountable. Preserving this role is essential to ensuring that the residents of our states remain protected in the face of emerging technologies and evolving markets.

Thank you for your consideration of this critical matter. For further discussion or information, please contact either of us or NCSL government affairs senior legislative director [Barrie Tabin](#).

Sincerely,



Marcus C. Evans Jr.
NCSL President
Illinois House of Representatives



Barry Usher
NCSL President-Elect
Montana State Senate

Cc: Chairman John Boozman
Ranking Member Amy Klobucher
