

July 14, 2025

The Honorable French Hill (R-AR)
Chairman
House Financial Services Committee
2129 Rayburn House Office Building
Washington, DC 20515
(via e-mail to staff)

The Honorable Maxine Waters (D-CA)
Ranking Member
House Financial Services Committee
2129 Rayburn House Office Building
Washington, DC 20515
(via e-mail to staff)

The Honorable Glenn Thompson (R-PA)
Chairman
House Committee on Agriculture
1301 Longworth House Office Building
Washington, DC 20515
(via e-mail to staff)

The Honorable Angie Craig (D-MN)
Ranking Member
House Committee on Agriculture
1010 Longworth House Office Building
Washington, DC 20515
(via e-mail to staff)

RE: *Preserving State Antifraud Enforcement Authority in Market Structure Legislation*

Dear Chairman Hill, Chairman Thompson, Ranking Member Waters, and Ranking Member Craig:

With thanks to the House Committees on Financial Services and Agriculture, we, the undersigned state securities administrators, respectfully request a savings clause that preserves the states' ability to investigate and bring enforcement actions for fraud in the purchase or sale of digital assets as the House continues to consider the CLARITY Act and works with its counterparts within the Senate on digital asset market regulation.

Investing in and with cryptocurrencies and other digital assets has become increasingly popular in the United States and, unfortunately, bad actors are capitalizing on this trend. Every year, pig butchering and other crypto-related scams are costing American investors and the United States economy billions in lost wealth. While we have partnered with federal regulators like the SEC and the CFTC to investigate complex crypto cases like FTX and Binance, we typically work independently when responding to the complaints of individual investors whose losses are in the thousands rather than the millions. We are providing a [link](#) to a comprehensive dataset of more than 300 state cases recently compiled by the North American Securities Administrators Association to illustrate this work.¹ We invest significant time and resources to investigate these cases because we are committed to holding bad actors accountable and understand that we might be the victims' only shot at getting any recovery or criminal justice.

As currently drafted, the CLARITY Act includes preemption and other language that is being interpreted by some as divesting us of our enforcement authority to help investors in our jurisdictions. If market structure legislation is passed without preserving state anti-fraud enforcement authority, we are

¹ Letter from NASAA President Leslie Van Buskirk to Senator Tim Scott and Elizabeth Warren, *NASAA Urges Congress to Champion the States as Fraud Fighters* (July 7, 2025).

concerned that many crypto frauds will go unaddressed. Federal agencies are already overwhelmed with existing caseloads and rely on state boots on the ground to fill in public protection gaps.

We are as committed as you are to sensible market structure regulation for cryptocurrency and digital assets in the United States but want to make sure investors are protected with a savings clause that explicitly preserves state anti-fraud enforcement authority. If you want to learn more about the important work that we are doing to fight crypto fraud in your districts or have any questions regarding this letter, please feel free to contact any one of us at your convenience.

Sincerely,

 Amanda Senn <i>Securities Director</i> Alabama Securities Commission	 KC Mohseni <i>Commissioner</i> California Department of Financial Protection & Innovation
 Jillian Lazar <i>Director of Investor Protection</i> Delaware Department of Justice, Investor Protection Unit	 Noula Zaharis <i>Assistant Commissioner of Securities</i> Office of the Georgia Secretary of State
 Ty Y. Nohara <i>Commissioner of Securities</i> State of Hawaii – DCCA, Business Registration Division	 Marie Castetter <i>Securities Commissioner</i> Office of the Indiana Secretary of State
 Jesse A. Devine <i>Securities Administrator</i> Maine Office of Securities	 Melanie Senter Lubin <i>Securities Commissioner</i> Maryland Division of Securities
 Jacqueline Olson <i>Assistant Commissioner, Enforcement Division</i> Minnesota Department of Commerce	 Eric Slee <i>Assistant Secretary of State - Securities</i> Mississippi Secretary of State

 <p>Kirsten Madsen Deputy Securities Commissioner Office of the Montana State Auditor</p>	 <p>Claire McHenry Deputy Director – Securities Bureau Nebraska Department of Banking and Finance</p>
 <p>Keith Alt Acting Bureau Chief New Jersey Bureau of Securities</p>	 <p>Shamiso Maswoswe Chief, Investor Protection Bureau New York State Office of the Attorney General</p>
 <p>Elaine F. Marshall North Carolina Secretary of State;</p>	 <p>Andrea L. Seidt Securities Commissioner Ohio Division of Securities</p>
 <p>Melanie Hall Securities Administrator Oklahoma Department of Securities</p>	 <p>TK Keen Insurance Commissioner and Securities Administrator Oregon Department of Financial Regulation</p>
 <p>Eric Pistilli Deputy Secretary of Securities Pennsylvania Department of Banking and Securities</p>	 <p>Robert B. Cummings Securities Director Utah Division of Securities</p>
 <p>Amanda Smith Securities Deputy Commissioner Vermont Department of Financial Regulation</p>	 <p>Bill Beatty Securities Administrator Washington Department of Financial Institutions</p>
 <p>Michael Nusbaum Deputy Commissioner of Securities West Virginia Securities Commission</p>	 <p>Leslie M. Van Buskirk Securities Administrator Wisconsin Department of Financial Institutions</p>

cc (via email to staff): Speaker of the House Mike Johnson (R-LA)
Democratic Leader Hakeem Jeffries (D-NY)
Majority Leader Steve Scalise (R-LA)
Majority Whip Tom Emmer (R-MN)
Democratic Whip Katherine Clark (D-MA)
Republican Conference Chairman Lisa McClain (R-MI)
Democratic Caucus Chairman Pete Aguilar (D-CA)
Republican Policy Committee Chairman Kevin Hern (R-OK)
Democratic Caucus Vice Chair Ted Lieu (D-CA)
Assistant Democratic Leader Joe Neguse (D-CO)
Jim Baird (R-IN)
Don Bacon (R-NE)
Joyce Beatty (D-OH)
Robert P. Bresnahan (R-PA)
Earl L. "Buddy" Carter (R-GA)
Warren Davidson (R-OH)
Donald Davis (D-NC)
Troy Downing (R-MT)
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Josh Gottheimer (D-NJ)
Trent Kelly (R-MS)
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Frank Lucas (R-OK)
Mark Messmer (R-IN)
Daniel Meuser (R-PA)
Riley M. Moore (R-WV)
Bryan Steil (R-WI)
Ritchie Torres (D-NY)