

CFTC, NASAA Sign Agreement for Greater Information Sharing Between Federal Commodities and State Securities Regulators

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May 21, 2018



Washington D.C., May 21, 2018 – Commodity Futures Trading Commission (CFTC) Chairman J. Christopher Giancarlo and North American Securities Administrators Association (NASAA) President Joseph P. Borg today signed a mutual cooperation agreement to establish a closer working relationship between the federal commodity regulator and individual state securities agencies.



The agreement signed by the CFTC and NASAA is intended to provide a framework for the sharing of confidential information between the CFTC and state securities regulators in the United States.

The purpose of the information-sharing agreement is to assist participants in enforcing the Commodity Exchange Act, which state securities regulators and state attorneys general are statutorily authorized to do alongside the CFTC. But information shared under the MOU also could generate enforcement actions under state securities laws, commodity codes, or other areas of law.

“State securities regulators look forward to strengthening our bond with the CFTC to enhance investor protection and prevent fraud,” NASAA President Borg said. “NASAA members are unique among all federal and state regulators in that they can bring enforcement actions for both securities law and commodities law violations. This is particularly relevant given the recent epidemic of schemes involving cryptocurrencies and other modern types of commodities.”

“This agreement provides the CFTC and NASAA an opportunity to build on our long-standing cooperative relationship,” said CFTC Chairman Giancarlo. “Information-sharing is key to cooperative enforcement operations, and by working together, we can ensure that the rapidly evolving financial technology space has the appropriate oversight to pursue bad actors, protect market participants, and allow for market-enhancing innovation.”

Borg noted that individual jurisdictions will be required to sign the MOU in order receive its benefits, including investigative leads from the CFTC’s Office of the Whistleblower or other tips, complaints and referrals the CFTC offers to provide to NASAA members.

About the CFTC:

The CFTC was created as an independent government agency in 1974 with the enactment of the Commodity Exchange Act (CEA). The CFTC’s mission is to foster open, transparent, competitive, and financially sound markets. By working to avoid systemic risk, the CFTC aims to protect market users and their funds, consumers, and the public from fraud, manipulation, and abusive practices related to derivatives and other products that are subject to the CEA. To promote market integrity, the CFTC polices the derivatives markets for various abuses, and also seeks to lower the risk of the futures and swaps markets to the economy and the public. For more information, visit www.cftc.gov.

About NASAA:

Formed in 1919, NASAA is the non-profit association of state, provincial, and territorial securities regulators in the United States, Canada and Mexico. NASAA has 67 members, including the securities regulators in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. NASAA’s U.S. members are responsible for administering state securities laws, commonly known as “Blue Sky Laws.” For more information, visit: www.nasaa.org.

For More Information:

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