

September 1999

Memorandum to distributees of October 1999 draft of Uniform Securities Act (2001)
from: Richard B. Smith, chairman of NCCUSL Drafting Committee

Enclosed please find the Reporter's first draft of a Uniform Securities Act (2001). As Joel Seligman states in his Reporter's Preface, it is a discussion draft. I have reviewed the draft and would like to add my own emphasis that it is a work-in-progress to serve as a focused basis for discussion at this early stage of our deliberations. Because it embodies some degree of reorganization of the existing Uniform Securities Acts, I hope that all readers will read through the entire draft before focusing on particular provisions.

Our overarching objective in this effort is to formulate an act that maximizes the efficiency and coordination of federal and state regulation of the securities business and the public's utilization of the capital markets, taking account of Congress' enactment of NSMIA, and the prospect of uniform enactment in all 50 States. Lack of uniformity among the States remains a source of inefficiencies and difficulties in coordination. In that respect the draft may not yet sufficiently address electronic means of central filing, securities offerings and transactions on the internet, and other matters.

The Reporter and Drafting Committee welcome any and all comments with respect to all or any part of the draft. We would find helpful receiving comments in writing for us to consider before the next meeting of the Drafting Committee. That meeting is scheduled for 22 (9:30-5:30), 23 (9:00-5:00) and 24 (9:00-12:30) October 1999 at the Hyatt Arlington Hotel in Arlington, Virginia, just across the Potomac from Washington DC. The Reporter's and my mail and email addresses appear at the end of the Reporter's Preface.

Timely comments on particular provisions will be especially useful if they suggest alternative language and the reasons therefor. This is not to discourage comments of a more general or preliminary nature. The Reporter recognizes that some re-sequencing of the provisions in [Part E - Administration and Enforcement] will be desirable.

We and the Drafting Committee, of course, encourage all interested persons to attend and participate in the open meeting. Any room reservations should be made directly with the Hotel. If you would like to be put on the notice list for future meetings, please contact the NCCUSL office in Chicago (312 915 0195).