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September 28, 1949

Mr. Earl F. Hastings, Director
Securities Division
Arizona Corporation Commission
The Capitol
Phoenix, Arizona

Dear Mr. Hastings:

This will acknowledge receipt of your letter dated September 26, 1949 relating to proposals for the compilation and presentation to the Legislature for the State of Arizona of a new Arizona Corporate Securities Act to replace the Blue Sky Law of Arizona, which is currently in effect.

Please be assured that it is my desire to assist you in any way I can.

Your intention to take advantage of the experience of other "Blue Sky Act" enforcement agencies and authorities who have been confronted with similar problems in the past, seems to me to be a sound approach. With regard to my views on the relative effectiveness of the statutes in force in the various states, I am not in a position to express any informed opinion. As you know, this office is a branch of the Commission's Regional Office in San Francisco. In general, our functioning is limited to investigative and enforcement work under Commission administered statutes in the jurisdictions of Arizona, Nevada and California. Nevada has not enacted a so-called "Blue Sky Act". California's Corporate Securities Act is, as you know, administered under the direction of Edwin M. Dougherty, Corporation Commissioner. I feel quite certain he would be disposed to co-operate with you in your proposed undertaking. Mr. Dougherty may, of course, be addressed care of California Division of Corporations at Sacramento.

I am forwarding a copy of your letter and this reply to Mr. Howard A. Judy, Regional Administrator for this Commission in San Francisco. I am also sending copies of this correspondence to Mr. Anthon H. Lund, Director, Division of Trading and Exchanges, Securities and Exchange Commission, 425 - 2nd Street, N.W., Washington 25, D.C.

Mr. Judy, I feel sure, will be interested in this matter and disposed to assist you with your problem, if possible. Mr. Anthon H. Lund may also be in a position to furnish you with helpful suggestions and data on a nation-wide scope, in which case I am sure he will communicate with you.

In the meantime, and if you have not already done so, you may wish to examine the Rayburn Committee's report, as well as the several other House and Senate Committee reports, which preceded the enactment of the Securities Act of 1933. I believe you might find those reports of interest and in point with respect to some of those problems which now confront you. I am sorry that I do not have a complete set of these Committee reports available for transmission at this time. However, if you haven't read them and would like to, I believe Mr. Anthon H. Lund referred to above will either furnish them upon your request or advise where they may be obtained.

Again I wish to assure you of my continuing interest in your project and my desire to assist if possible. Please feel free to call upon me.

Very truly yours,

Charles R. Burr
Assistant Regional Administrator

CharlesRBurr/JS