

JULIA CARSON
7th District, Indiana

COMMITTEE ON
FINANCIAL SERVICES
Subcommittee on Housing and
Community Opportunity

Subcommittee on Financial Institutions &
Consumer Credit

COMMITTEE ON
TRANSPORTATION &
INFRASTRUCTURE

Subcommittee on Highways, Transit & Pipelines
Subcommittee on Railroads

Internet:

<http://juliacarson.house.gov>

The Honorable William H. Donaldson
Chairman
U.S. Securities and Exchange Commission
450 Fifth St, N.W.
Washington, DC 20549

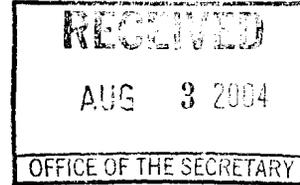
Congress of the United States
House of Representatives
Washington, DC 20515-1410

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WASHINGTON OFFICE:
1535 Longworth Building
Washington, DC 20515
(202) 225-4011
(202) 225-5633 Fax

DISTRICT OFFICE:
300 E. Fall Creek Pkwy N. Dr.
Suite 201
Indianapolis, IN 46205
(317) 283-6516
(317) 283-6567 Fax

E-Mail:
rep.carson@mail.house.gov



Re: Securities and Exchange Commission File No. S7-10-04;

Dear Chairman Donaldson:

On behalf of the hard-working men and women who invest in Indiana's private and public pension and retirement funds, as well as my state's numerous individual investors, I write to commend you for the proposed reforms in Regulation NMS. **In particular, I commend the proposal's reform of the "trade-through rule" and its inclusion of an "opt-out" provision.** I believe that these reforms will provide greater transparency and investor choice for all working Americans.

As a member of the House Committee on Financial Services, I have heard from many at both the national and local level that the current regulation does not fit the needs of the modern marketplace. Rules that require investors to risk losing a good price and instead chase a potentially better price have had the effect of requiring investors to take a risk they may not wish to take. Similarly, the current rule does not take into account the diverse trading factors that many individuals and institutions now choose to consider when executing a trade. Certainty of execution, low market impact and how quickly a trade can be executed are all factors for today's investors and should be allowed to weigh in an execution strategy. Individuals and institutions stand to benefit from greater control over their own trades.

Many of Indiana's largest labor unions, the Indiana Association of Counties, and individual constituents have contacted me in support of this reform. I urge you to repeal the "trade-through rule" or, at the very least, include a user-friendly "opt-out" in your final rule.

Sincerely,



Julia Carson
Member of Congress

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