
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 701 Session of
2014

INTRODUCED BY MUSTIO, KILLION, ENGLISH, BAKER, MILLARD, TOEPEL,
STERN, PICKETT, CALTAGIRONE, O'NEILL, SWANGER, COX, READSHAW,
PAINTER, METCALFE, LONGIETTI, MURT, CLYMER, GINGRICH,
ROEBUCK, DENLINGER AND BENNINGHOFF, MARCH 13, 2014

REFERRED TO COMMITTEE ON STATE GOVERNMENT, MARCH 13, 2014

A RESOLUTION

1 Encouraging State public pension fund fiduciaries to support
2 protection of all pension fund members by embracing new
3 technology capable of uncovering National Best Bid and Offer
4 violations through forensic analysis.

5 WHEREAS, National Best Bid and Offer (NBBO) is a Securities
6 and Exchange Commission (SEC) regulation requiring brokers to
7 guarantee customers the best available ask price when buying
8 securities and best available bid price when selling; and

9 WHEREAS, The SEC has stated that 7.5% of all stock shares
10 have NBBO violations; and

11 WHEREAS, Nationally, there has been over \$20 billion in
12 documented cases of NBBO stock trade thru violations between
13 2008 and 2013; and

14 WHEREAS, Technology has been developed that is capable of
15 performing a forensic analysis of every stock trade and
16 execution for possible NBBO stock trade thru violations; and

17 WHEREAS, NBBO violations uncovered through forensic analysis
18 are fully recoverable; and

1 WHEREAS, The Commonwealth's public pension systems are not
2 currently engaging in forensic trade thru examinations which
3 would identify all transactions where best execution was not
4 received; and

5 WHEREAS, State pension fiduciaries need to do everything
6 possible from a technological standpoint to ensure that the
7 Commonwealth's public pension systems are achieving the highest
8 possible returns; therefore be it

9 RESOLVED, That the House of Representatives recognize that
10 the Commonwealth's public pension systems are not currently
11 engaging in forensic trade thru examinations which would
12 identify all transactions where best execution was not received;
13 and be it further

14 RESOLVED, That the House of Representatives encourage State
15 public pension fund fiduciaries to support the protection of all
16 pension fund members and embrace new technology that can uncover
17 these violated trades through forensic analysis.