

Regular Session, 2012

SENATE BILL NO. 638 (Substitute of Senate Bill No. 163 by Senator Martiny)

BY SENATOR MARTINY

SECURITIES. Provides relative to securities. (gov sig)

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AN ACT

To enact R.S. 51:704(A)(10), relative to securities; to authorize the taking of certain actions relative to dishonest or unethical practices; to provide relative to the adoption of administrative rules; to provide certain terms and conditions; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 51:704(A)(10) is hereby enacted to read as follows:

§704. Suspension or revocation of registration of dealers, salesmen, investment advisers, and investment adviser representatives; requiring current financial statements

A. The registration of any dealer, salesman, investment adviser, or investment adviser representative may be suspended or revoked by the commissioner as provided in Subsection B of this Section if he finds that such registrant and, in the case of a dealer or investment adviser, any general partner, limited partner, director, managing member, affiliate, or executive officer of such dealer or investment adviser:

* * *

1 **(10) Has engaged in dishonest or unethical practices in activity regulated**
2 **under the provisions of this Part. The commissioner shall adopt rules and**
3 **regulations in accordance with the Administrative Procedure Act to illustrate**
4 **examples of such practices providing grounds for suspension or revocation of**
5 **registration. Such examples shall be for illustrative purposes only and shall not**
6 **be deemed exclusive.**

7 Section 2. This Act shall become effective upon signature by the governor or, if not
8 signed by the governor, upon expiration of the time for bills to become law without signature
9 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
10 vetoed by the governor and subsequently approved by the legislature, this Act shall become
11 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Michelle Ducharme.

DIGEST

Present law provides for the suspension or revocation of registration of dealers, salesmen, investment advisers, and investment adviser representatives under certain circumstances.

Proposed law adds dishonest or unethical acts as a circumstance that may cause the suspension or revocation of registration of dealers, salesmen, investment advisers, and investment adviser representatives.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 51:704(A)(10))