

# HOUSE BILL 576

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By: **Delegate Rosenberg**

Introduced and read first time: February 12, 2015

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Local Stock Market and Social Stock Exchange Task Force**

3 FOR the purpose of establishing the Maryland Local Stock Market and Social Stock  
4 Exchange Task Force; providing for the composition, chair, and staffing of the Task  
5 Force; prohibiting a member of the Task Force from receiving certain compensation,  
6 but authorizing the reimbursement of certain expenses; requiring the Task Force to  
7 study and make recommendations regarding the feasibility of establishing a local  
8 investment market or social stock exchange; requiring the Task Force to report its  
9 findings and recommendations to the Governor and the General Assembly on or  
10 before a certain date; providing for the termination of this Act; and generally relating  
11 to the Maryland Local Stock Market and Social Stock Exchange Task Force.

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

13 That:

14 (a) There is a Maryland Local Stock Market and Social Stock Exchange Task  
15 Force.

16 (b) The Task Force consists of the following members:

17 (1) two members of the Senate of Maryland, appointed by the President of  
18 the Senate;

19 (2) two members of the House of Delegates, appointed by the Speaker of  
20 the House;

21 (3) the Securities Commissioner of the Division of Securities, or the  
22 Commissioner's designee;

23 (4) the Commissioner of Financial Regulation, or the Commissioner's  
24 designee; and

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (5) the following members, appointed by the Governor:

2 (i) one owner of a small business in the State;

3 (ii) one representative of a firm registered as a broker–dealer with  
4 the Office of Attorney General, Division of Securities;

5 (iii) one agent of a registered broker–dealer who is registered with  
6 the Office of Attorney General, Division of Securities;

7 (iv) one representative of a business that is publicly traded and  
8 operates in the State; and

9 (v) one individual who is knowledgeable in entrepreneurial finance  
10 and private equity.

11 (c) The Governor shall designate the chair of the Task Force.

12 (d) The Office of the Attorney General shall provide staff for the Task Force.

13 (e) A member of the Task Force:

14 (1) may not receive compensation as a member of the Task Force; but

15 (2) is entitled to reimbursement for expenses under the Standard State  
16 Travel Regulations, as provided in the State budget.

17 (f) The Task Force shall:

18 (1) study the feasibility of establishing a local stock market in the State,  
19 including:

20 (i) the history of local stock markets in the country;

21 (ii) other state models for regulating an intrastate stock market;

22 (iii) existing exemptions for broker–dealers and agents in the State;  
23 and

24 (iv) the potential financial benefit and fiscal impact of establishing a  
25 local stock market;

26 (2) study the availability of impact funds to investors in the State,  
27 including the potential development of a social stock exchange to increase the number of  
28 funds; and

29 (3) make findings and recommendations regarding:

1 (i) establishing a local stock market or social stock exchange; and

2 (ii) modifying existing State statutory laws and regulations to  
3 facilitate the creation or growth of local investment markets, impact funds, and social stock  
4 exchanges.

5 (g) On or before October 1, 2016, the Task Force shall report its findings and  
6 recommendations to the Governor and, in accordance with § 2-1246 of the State  
7 Government Article, the General Assembly.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
9 1, 2015. It shall remain effective for a period of 1 year and 6 months and, at the end of  
10 December 31, 2016, with no further action required by the General Assembly, this Act shall  
11 be abrogated and of no further force and effect.