

HB 2799 -- INVESTMENT DISCLOSURES

SPONSOR: O'Donnell

This bill establishes disclosure standards for investment advisers, investment adviser's representatives, and broker-dealers, as defined in the bill. These entities are required to provide prior disclosure and obtain written consent of their clients for incorporating a social or nonfinancial objective into any discretionary investment decision. Including one of the social or nonfinancial objectives in recommendations to a client or in a selection recommendation of a third-party manager or subadvisor without fully disclosing the objective is a dishonest or unethical business practice.