

FIRST REGULAR SESSION

HOUSE BILL NO. 663

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MCCREERY.

1431H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 409.6-601, RSMo, and to enact in lieu thereof one new section relating to the commissioner of securities.

Be it enacted by the General Assembly of the state of Missouri, as follows:

2 Section A. Section 409.6-601, RSMo, is repealed and one new section enacted in lieu
2 thereof, to be known as section 409.6-601, to read as follows:

2 409.6-601. (a) This act shall be administered by the commissioner of securities who
2 shall be appointed by and act under the direction of the secretary of state, and shall receive
3 compensation as provided by law. **After December 31, 2017, the secretary of state shall not**
4 **appoint as the commissioner of securities anyone who was employed, within one year of the**
5 **appointment, by an entity that was under investigation by a state or federal governmental**
6 **unit within one year of the appointment, if the existence of the investigation of the entity**
7 **was made known to the general public.**

8 (b) The attorney general shall appear on behalf of and represent the commissioner in all
9 proceedings before the administrative hearing commission, and in the circuit court of any county
10 of the state or any city not within a county, or any court of another state in all civil enforcement
11 actions brought under this act. The attorney general may appoint attorneys employed by the
12 secretary of state as special assistant attorneys general to appear on behalf of and represent the
13 commissioner.

14 (c) It is unlawful for the secretary of state, commissioner or an officer, employee, or
15 designee of the commissioner to use for personal benefit or the benefit of others records or other
16 information obtained by or filed with the commissioner that are not public under section
17 409.6-607(b). This act does not authorize the secretary of state, commissioner or an officer,

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 employee, or designee of the commissioner to disclose the record or information, except in
19 accordance with section 409.6-602, 409.6-607(c), or 409.6-608.

20 (d) This act does not create or diminish a privilege or exemption that exists at common
21 law, by statute or rule, or otherwise.

22 (e) The commissioner may develop and implement investor education initiatives to
23 inform the public about investing in securities, with particular emphasis on the prevention and
24 detection of securities fraud. In developing and implementing these initiatives, the commissioner
25 may collaborate with public and nonprofit organizations with an interest in investor education.
26 The commissioner may accept a grant or donation from a person that is not affiliated with the
27 securities industry or from a nonprofit organization, regardless of whether the organization is
28 affiliated with the securities industry, to develop and implement investor education initiatives.
29 This subsection does not authorize the commissioner to require participation or monetary
30 contributions of a registrant in an investor education program.

31 (f) The "Investor Education and Protection Fund" is created to provide funds for the
32 purposes identified in subsection (e). Notwithstanding the provisions of section 33.080, any
33 funds remaining in the secretary of state's investor education and protection fund at the end of
34 any biennium shall not be transferred to the general revenue fund.

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