

SHORT TITLE: Securities; expanding membership of Oklahoma
Securities Commission; effective date; emergency.

STATE OF OKLAHOMA

1st Session of the 44th Legislature (1993)

SENATE BILL NO. 8

By: Fisher and Brown of the
Senate

and

Benson of the House

AS INTRODUCED

An Act relating to securities; amending 71 O.S. 1991, Sections 4, as amended by Section 3, Chapter 241, O.S.L. 1992, and 5 (71 O.S. Supp. 1992, Section 4), which relate to appointments to the Oklahoma Securities Commission; adding member and stating qualifications and term of office; making exception to prohibition against appointment of persons engaged in the securities industry; deleting obsolete language; conforming language; providing an effective date; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 71 O.S. 1991, Section 4, as amended by Section 3, Chapter 241, O.S.L. 1992 (71 O.S. Supp. 1992, Section 4), is amended to read as follows:

Section 4. (a) The Oklahoma Securities Commission shall consist of ~~three (3)~~ four (4) members to be appointed by the Governor by and with the advice and consent of the Senate. One member shall be a member of the Oklahoma Bar Association appointed from a list of five nominees submitted by the Oklahoma Bar Association; one member shall be an active officer of a bank or trust company operating in the State of Oklahoma appointed from a

list of five nominees submitted by the Oklahoma Bankers Association; ~~and~~ one member shall be a certified public accountant appointed from a list of five nominees submitted by the Oklahoma Society of Certified Public Accountants; and one member shall be engaged in the securities industry and shall be appointed for a six-year initial term from a list of five nominees submitted by the Oklahoma Securities Industry Association; provided, that the State Bank Commissioner of Oklahoma shall be and he is hereby made an ex officio member of said Commission.

(b) ~~No~~ Except for appointment of the member engaged in the securities industry as provided for in subsection (a) of this section, no person may be appointed to or by the Commission while he is registered as a broker-dealer, agent, investment adviser, or investment adviser representative under this act, or while he is an officer, director, or partner of any person so registered, or while he is an officer, director, or partner of an issuer which has a registration statement effective under this act, or while he is occupying a similar status or performing similar functions.

(c) It is unlawful for any member of the Commission, the Administrator, or any other officer or employee of the Department to use for personal benefit any information which is filed with or obtained by the Administrator and which is not made public. No provision of this act authorizes any member of the Commission, the Administrator or any other officer or employee of the Department to disclose any such information except among themselves or when necessary or appropriate in a proceeding or investigation under this act or in connection with a proceeding or investigation conducted by any state, federal or foreign law enforcement agency, securities agency or self-regulatory organization. No provision of this act either creates or derogates from any privilege which exists at common law or otherwise when documentary or other evidence is sought

under a subpoena directed to any member of the Commission, the Administrator or any other officer or employee of the Department.

(d) Except on proof of corruption, no Commissioner shall for his acts or his failure to act be civilly liable to any investor, applicant for registration, or any other person.

SECTION 2. AMENDATORY 71 O.S. 1991, Section 5, is amended to read as follows:

Section 5. The Governor shall biennially appoint ~~one~~ Commission ~~member~~ members to serve for a staggered term of six (6) years; ~~provided, however, that the Governor shall for the initial appointments designate one member to serve for a term of two (2) years; one member to serve for a term of four (4) years; and one member to serve for a term of six years from their respective dates of appointment and qualification.~~ Upon the expiration of ~~these~~ initial terms, the term of each member shall be six (6) years from the date of his appointment and qualification, and until his successor shall qualify. Vacancies shall be filled by the Governor for the unexpired term. Members shall be eligible for reappointment.

SECTION 3. This act shall become effective July 1, 1993.

SECTION 4. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

44-1-0112 JY