Session 115 - (2003-2004)

H 3114 General Bill, By Kirsh

Summary: Uniform Securities Act, revisions

A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 35-1-1250 SO AS TO PROHIBIT ADDITIONAL ACTIVITIES IN CONNECTION WITH A TRANSACTION IN A SECURITY, INCLUDING FICTITIOUS PRICE QUOTATIONS, CREATION OF A DECEPTIVE APPEARANCE OF ACTIVE TRADING OR OTHER ACTIVITY, ISSUANCE OF DECEPTIVE ANALYSES, REPORTS, OR FINANCIAL STATEMENTS, AND OTHER MANIPULATION OF THE MARKET IN THAT SECURITY; TO AMEND SECTION 35-1-20, AS AMENDED, RELATING TO THE DEFINITION OF INVESTMENT ADVISOR FOR PURPOSES OF THE UNIFORM SECURITIES ACT, SO AS TO DELETE THE EXCLUSION OF A FEDERAL COVERED ADVISER AND AN OUTDATED REFERENCE; TO AMEND SECTION 35-1-70, AS AMENDED, RELATING TO FINANCIAL STATEMENTS REQUIRED BY THE SECURITIES COMMISSIONER, SO AS TO CHANGE "GENERALLY ACCEPTED ACCOUNTING PRACTICES" TO "GENERALLY ACCEPTED ACCOUNTING PRINCIPLES"; TO AMEND SECTION 35-1-420, AS AMENDED, RELATING TO REGISTRATION OF INVESTMENT ADVISERS, SO AS TO MAKE TECHNICAL CHANGES; TO AMEND SECTION 35-1-440, AS AMENDED, RELATING TO APPLICATIONS FOR REGISTRATION, SO AS TO PROVIDE THAT AN APPLICATION MAY BE WITHDRAWN ONLY AS ORDERED BY THE SECURITIES COMMISSIONER IF THE COMMISSIONER PROCEEDS TO POSTPONE OR DENY AN APPLICATION; TO AMEND SECTION 35-1-820, AS AMENDED, RELATING TO REGISTRATION OF SECURITIES BY NOTIFICATION, SO AS TO CHANGE "GENERALLY ACCEPTED ACCOUNTING PRACTICES" TO "GENERALLY ACCEPTED ACCOUNTING PRINCIPLES" AND TO MAKE TECHNICAL CHANGES; TO AMEND SECTION 35-1-900, AS AMENDED, RELATING TO FEES IN CONNECTION WITH REGISTRATION, SO AS TO PROVIDE THAT AN AMENDMENT OF A FILED REGISTRATION STATEMENT AFTER ITS EFFECTIVE DATE REQUIRES A FILING FEE OF TWO HUNDRED FIFTY DOLLARS; TO AMEND SECTION 35-1-1490, AS AMENDED, RELATING TO LIABILITY FOR ILLEGAL OR FRAUDULENT TRANSACTIONS IN SECURITIES, SO AS TO MAKE IT UNLAWFUL TO USE FRAUD OR DECEIT IN ADVISING ON THE SALE OR PURCHASE OF A SECURITY AND IN PURCHASING A SECURITY AND TO PROVIDE FOR PUNITIVE DAMAGES IN THOSE INSTANCES AND IN THE CASE OF A FRAUDULENT SALE OR OFFER TO SELL; TO AMEND SECTION 35-1-1500, AS AMENDED, RELATING TO JOINT AND SEVERAL LIABILITY, SO AS TO PROVIDE FOR THE LIABILITY OF A PERSON WHO CONTROLS ANOTHER PERSON WHO IS LIABLE FOR ILLEGAL OR FRAUDULENT SECURITIES TRANSACTIONS; TO AMEND SECTION 35-1-1530, AS AMENDED, RELATING TO LIMITATION OF ACTIONS, SO AS TO DELETE REFERENCES TO OFFERS OF REFUNDS BEFORE FILING SUIT; TO AMEND SECTION 35-1-1590, AS AMENDED, RELATING TO CRIMINAL PENALTIES FOR VIOLATIONS OF THE UNIFORM SECURITIES ACT, SO AS TO MAKE IT A FELONY TO MAKE FALSE STATEMENTS, DESTROY OR CONCEAL DOCUMENTS, AND OTHERWISE OBSTRUCT OR INTERFERE WITH AN AUDIT, EXAMINATION, OR INVESTIGATION BY THE SECURITIES COMMISSIONER AND TO PROVIDE PENALTIES FOR VIOLATIONS; BY ADDING SECTION 11-35-35 SO AS TO PROVIDE THAT A PERSON WHO VIOLATES THE UNIFORM SECURITIES ACT OR WHO IS INCORPORATED IN A TAX HAVEN IS AN INELIGIBLE VENDOR; AND TO AMEND SECTION 34-3-540, AS AMENDED, RELATING TO ADMISSIBILITY OF BANK RECORDS IN EVIDENCE, SO AS TO PROVIDE THAT THE SECURITIES COMMISSIONER HAS ACCESS TO THE FINANCIAL RECORDS OF A CUSTOMER OF A FINANCIAL INSTITUTION IN CONNECTION WITH AN INVESTIGATION CONDUCTED PURSUANT TO THE UNIFORM SECURITIES ACT.

12/04/02	**House**	**Prefiled**
12/04/02	**House**	**Referred to Committee on Labor, Commerce and Industry**
01/14/03	**House**	**Introduced and read first time HJ-48**
01/14/03	**House**	**Referred to Committee on Labor, Commerce and Industry HJ-50**