HOUSE BILL NO. 86

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES CLAMAN, Gara

Introduced: 1/27/17
Referred: Education, Labor and Commerce

A BILL

FOR AN ACT ENTITLED

"An Act relating to nonrenewal of occupational licenses for default on a student loan."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 45.55.060(a) is amended to read:

(a) The administrator may by order deny, suspend, or revoke a registration if the administrator finds that the order is in the public interest and that the applicant or registrant or, in the case of a broker-dealer or state investment adviser, a partner, officer, or director, a person occupying a similar status or performing similar functions, or a person directly or indirectly controlling the broker-dealer or state investment adviser

(1) has filed an application for registration that, as of its effective date, or as of a date after filing in the case of an order denying effectiveness, was incomplete in a material respect or contained a statement that was, in light of the circumstances under which it was made, false or misleading with respect to a material fact;

(2) has wilfully or repeatedly violated, or failed to comply with, a
section; 1
(3) has been convicted, within the past 10 years, of a misdemeanor involving a security or an aspect of the securities business or a felony; in this paragraph, "convicted" includes a finding of guilt based on a verdict, judgment, plea of guilty, or plea of nolo contendere, if the verdict, judgment, or plea has not been reversed, set aside, or withdrawn, regardless of whether sentence has been imposed;

(4) is permanently or temporarily enjoined by a court from engaging in or continuing conduct or a practice involving an aspect of the securities business;

(5) is the subject of an order of the administrator denying, suspending, or revoking registration as a broker-dealer, agent, state investment adviser, or investment adviser representative;

(6) is the subject of an order entered within the past five years by the securities administrator of another state or by the United States Securities and Exchange Commission denying or revoking registration as a broker-dealer, agent, state investment adviser, investment adviser representative, or the substantial equivalent of those terms as defined in this chapter, or is the subject of an order of the United States Securities and Exchange Commission suspending or expelling the person from a national securities exchange or national securities association registered under 15 U.S.C. 78a - 78lll (Securities Exchange Act of 1934), or is the subject of a United States Postal Service fraud order; but the administrator may not

(A) institute a revocation or suspension proceeding under this paragraph more than one year from the date of the order relied on; and

(B) enter an order under this paragraph on the basis of an order under another state act unless that order was based on facts that would currently constitute a ground for an order under this section;

(7) has engaged in dishonest or unethical practices or conduct in the securities or investment advisory business;

(8) is insolvent, in the sense that liabilities exceed assets, that obligations cannot be met as they mature, or that the business cannot be continued safely for the customers of the applicant or registrant, but the administrator may not enter an order against a broker-dealer or state investment adviser under this paragraph
without a finding of insolvency as to the broker-dealer or state investment adviser;

(9) is not qualified on the basis of such factors as training, experience, and knowledge of the securities business, except as otherwise provided in (d) of this section;

(10) has failed to comply with the requirements of AS 45.55.050 to make, keep, or produce records required by the administrator, or to file financial reports or other information the administrator by regulation or order may require; or

(11) is a person [WHOSE LICENSE RENEWAL IS DENIED UNDER AS 14.43.148 OR] whose license issuance or renewal is denied under AS 25.27.244.

* Sec. 2. AS 14.43.145(a)(4), 14.43.148; and AS 21.27.390(d) are repealed.