

COMMITTEE REPORT
SENATE

FURTHER: None

6/1/81

Date: 6/10/81

Mr. President:

The Committee on FINANCE has had CSHB 325(L&C)

Alaska Securities Act of 1959

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note 6/5/81
- reports it back without recommendation Ferguson
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 325
 Title An Act Relating to Orders Under the Alaska Securities Act of 1959
 Requested by Senate Finance Committee Date 6/5/81

II. FISCAL DETAIL

Agency Affected Commerce and Economic Development
 Program Category Affected Consumer Protection
 BRU, Program, or Subprogram(s) Affected Banking and Securities
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		-0-				
200 TRAVEL		-0-				
300 CONTRACTUAL		-0-				
400 COMMODITIES		-0-				
500 EQUIPMENT		-0-				
600 LAND & STRUCTURES		-0-				
700 GRANTS, CLAIMS, ETC.		-0-				
TOTAL		-0-				

FUNDING (Thousands of Dollars)

GENERAL FUND		-0-				
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		0				
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The Division of Banking and Securities will not be fiscally impacted to any significant degree. There exist no reason to have the Division to track the prior history of the impact of administering the proxy laws because this legislation provides only clarification of the existing statutes.

IV. DATE 6/5/81 PREPARED BY Senator Frank B. Ferguson
 AGENCY Legislature
 PHONE 465-4923
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Original Sponsor: Adams.

Offered: 4/6/81
Referred: Rules

1 IN THE HOUSE

BY THE LABOR AND
COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 325 (L&C)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to orders under the Alaska Securities
7 Act of 1959."

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

9 * Section 1. AS 45.55.200 is amended to read:

10 Sec. 45.55.200. ORDERS AND INJUNCTIONS. (a) Whenever it appears
11 to the administrator that a person has engaged or is about to engage in
12 an act or practice in violation of any provision of this chapter or
13 rule or order under this chapter, he may

14 (1) if he considers it in the public interest or for the
15 protection of investors, issue an order (A) directing the person to
16 cease and desist from continuing the act or practice, (B) directing the
17 person, for a period not to exceed three years, to file the annual
18 reports, proxies, consents or authorizations, proxy statements, or
19 other materials relating to proxy solicitations required under AS 45.-
20 55.139 with the administrator for examination and review 10 working
21 days before a distribution to shareholders, and (C) voiding any prox-
22 ies obtained by a person required to file under AS 45.55.139, including
23 their future exercise or actions resulting from their past exercise, if
24 the proxies were solicited by means of an untrue or misleading state-
25 ment prohibited under AS 45.55.160 [; PROVIDED THAT REASONABLE NOTICE
26 OF AND AN OPPORTUNITY FOR A HEARING SHALL FIRST BE GIVEN, EXCEPT THAT
27 THE ADMINISTRATOR MAY ISSUE A TEMPORARY ORDER PENDING THE HEARING WHICH
28 SHALL REMAIN IN EFFECT UNTIL 10 DAYS AFTER THE HEARING IS HELD AND
29 WHICH SHALL BECOME FINAL IF THE PERSON TO WHOM NOTICE IS ADDRESSED DOES

1 NOT REQUEST A HEARING WITHIN 15 DAYS AFTER THE RECEIPT OF NOTICE]; or

2 (2) bring an action in the superior court to enjoin the acts
3 or practices and to enforce compliance with this chapter or rule or
4 order under this chapter, and upon a proper showing, the appropriate
5 remedy shall be granted and a receiver or conservator may be appointed
6 for the defendant or the defendant's assets; the court may not require
7 the administrator to post a bond.

8 (b) Before issuing an order under (a)(1) of this section the
9 administrator shall give reasonable notice of and an opportunity for a
10 hearing. However, the administrator may issue a temporary order pend-
11 ing the hearing which order shall remain in effect until 10 days after
12 the hearing is held and which shall become final if the person to whom
13 notice is addressed does not request a hearing within 15 days after the
14 receipt of notice.

HB
325

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 325

Title An Act Relating to Orders Under the Alaska Securities Act of 1959

Requested by Adams

Date 3/21/81

II. FISCAL DETAIL

Agency Affected Commerce and Economic Development

Program Category Affected Consumer Protection

BRU, Program, or Subprogram(s) Affected Banking and Securities

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		22.1	23.4	24.8	26.3	27.9
200 TRAVEL		10.0	10.5	11.0	11.5	12.0
300 CONTRACTUAL		2.7	2.7	2.7	2.7	2.7
400 COMMODITIES		1.0	1.0	0	0	0
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	35.8	37.6	38.5	40.5	42.6

FUNDING (Thousands of Dollars)

GENERAL FUND	0	35.8	37.6	38.5	40.5	42.6
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		1	1	1	1	1
PART TIME		0	0	0	0	0
TEMPORARY		0	0	0	0	0

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See attached.

IV. DATE 3/16/81

PREPARED BY J.P. Samuel

AGENCY Department of Commerce & Economic Development

PHONE 465-25210

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

When AS 45.55.139 was enacted in 1977, the Division of Banking and Securities had no prior history or other documentation to show the potential impact of administering proxy laws and regulations relative to the Alaska Native Claims Settlement Act. Based on investigative time and costs incurred in this area since 1977 and on the fact that 31 regional and village corporations currently come under the provisions of AS 45.55.139 and this proposed legislation, the projected costs are reasonable.

Travel costs include investigative travel of securities staff for hearings and witness travel costs. Contractual cost is for additional persons as required by the Department of Administration pursuant to the memorandum of February 5, 1981.

1	POSITION TITLE Administrative Support Tech II			RANGE/STEP 8A	BARG. UNIT. G	LOCATION Juneau	GOV	APPROV	DISAPP
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No. 1186	PRIORITY	FORM 12 PAGE/LINE	LEG		
3	TYPE OF EXPENDITURE			AMOUNT	JUSTIFICATION: See Bill Analysis and Fiscal Note to House Bill 325.				
	1	2	3						
4	PERSONAL SERVICES:								
	SALARY	\$1,393/month	16.7						
5	BENEFITS		2.6						
6	FICA		1.0						
7	HEALTH INS.		1.8						
8	TOTAL PERSONAL SERVICES	01							
9	TRAVEL	02	22.1						
10	CONTRACTUAL	03	0						
11	COMMODITIES	04	1.0						
12	EQUIPMENT	05	0						
13	OTHER	space costs	2.7						
14	TOTAL COST		25.8						
	CODE	FUNDING SOURCE							
15		FED RCPTS. 1002							
16		GF MATCH. 1003							
17		GEN. FUND 1004		25.8					
18		I-A RCPTS. 1005							
19		PGM RCPTS 1028							
20		OTHER							
21	CONTINUATION		FOR B&M USE ONLY						
22	ADDITION	X							
4A KEY NUMBER _____ COLUMN NO. _____									

AGENCY Commerce and Economic Development PROGRAM Consumer Protection

BRU Banking and Securities

COMPONENT Financial Institutions

13 REQUEST FOR NEW POSITION.

FY 82

Page _____ of _____

REVISED DATE _____