

Regular Session, 2014

SENATE BILL NO. 266

BY SENATOR MARTINY

SECURITIES. Provides relative to the registration of certain investment adviser representatives. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 51:703(D)(4), relative to investment adviser representatives; to
3 eliminate an exemption from the examination requirement for certain investment
4 adviser representatives; to provide for certain terms, procedures, and conditions; and
5 to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 51:703(D)(4) is hereby amended and reenacted to read as follows:

8 §703. Registration of dealers, salesmen, and investment advisers and investment
9 adviser representatives; surety bonds; records

10 * * *

11 D. * * *

12 (4)(a) No applicant shall be registered as an investment adviser representative
13 under this Part, nor shall any such registration be renewed, unless such investment
14 adviser representative has passed a written examination, the form, content, and
15 conduct of which the commissioner may prescribe by rule. The examination
16 requirement provided for in this Subparagraph shall not apply to an individual
17 holding one or more certifications that the commissioner may designate by rule ~~or~~

1 ~~an individual who is employed by an investment adviser registered with the~~
2 ~~Securities and Exchange Commission.~~

3 (b) The commissioner may by rule provide that the investment adviser
4 representatives of any investment adviser registered under this Part on the effective
5 date of the rule shall not be required to satisfy the examination or certification
6 requirements for a period of up to two years.

7 **(c) Beginning August 31, 2016, and thereafter, investment adviser**
8 **representatives registered or required to be registered under this Part and who**
9 **are employed by a federal covered adviser shall be required to satisfy the**
10 **examination requirement or certification requirement as provided for in**
11 **Subparagraph (a) of this Paragraph. The commissioner may adopt rules to**
12 **implement the provisions of this Subparagraph.**

13 * * *

14 Section 2. This Act shall become effective upon signature by the governor or, if not
15 signed by the governor, upon expiration of the time for bills to become law without signature
16 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
17 vetoed by the governor and subsequently approved by the legislature, this Act shall become
18 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Michelle Ducharme.

DIGEST

Martiny (SB 266)

Present law provides for the registration of investment adviser representatives.

Present law provides that no applicant shall be registered as an investment adviser representative, nor shall any such registration be renewed unless such investment adviser representative has passed a written examination.

Present law exempts certain individuals from the examination requirement as follows:

- (1) An individual holding one or more certifications that the commissioner may designate by rule.
- (2) An individual who is employed by an investment adviser registered with the Securities and Exchange Commission (SEC).

Proposed law removes the present law exemption for individuals who are employed by an

investment adviser registered with the SEC.

Proposed law provides that beginning on August 31, 2016, and thereafter, investment adviser representatives registered or required to be registered under present law and who are employed by a federal covered adviser shall be required to satisfy the examination requirement or certification requirement.

Proposed law authorizes the commissioner to adopt rules necessary to implement the provisions of proposed law.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 51:703(D)(4))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs to the original bill

1. Changes the date for compliance of the examination requirement or certification requirement from January 1, 2016, to August 31, 2016.
2. Specifies that the requirements apply to investment adviser representatives registered or required to be registered under law and who are employed by a federal covered adviser.