

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass
Vote:	9 - 0 - 0
Yeas:	Barker, Bonamici, Cameron, Flores, Komp, Krieger, Read, Whisnant, Macpherson
Nays:	0
Exc.:	0
Prepared By:	Matt Kalmanson, Counsel
Meeting Dates:	5/24, 5/29

WHAT THE MEASURE DOES: Establishes that Attorney General may investigate and enforce violations of the Oregon Securities Law. Requires notice to Director of Department of Consumer and Business Services, and consent in certain instances. Permits fines up to \$20,000 for each violation, plus awards of attorneys' fees, damages, restitution, disgorgement of illegal profits and appointment of a receiver.

ISSUES DISCUSSED:

- Authority of Department of Consumer and Business Services to investigate and prosecute security fraud
- Authority of Attorney General to investigate and prosecute security fraud
- Remedies for security fraud
- Laws of other states

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The Department of Consumer and Business Services is the primary regulator of the securities industry under the Oregon Securities Law. Although it has some enforcement powers, they are limited. SB 119 A would authorize the Attorney General to investigate and prosecute securities fraud actions in certain instances.