

**REVENUE:** No revenue impact

**FISCAL:** Fiscal statement issued

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**Action:** Do Pass as Amended and Be Printed Engrossed

**Vote:** 4 - 1 - 0

**Yeas:** Avakian, Gordly, Monroe, Prozanski

**Nays:** Beyer

**Exc.:** 0

**Prepared By:** Anna Braun, Administrator

**Meeting Dates:** 1/22, 4/30

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**WHAT THE MEASURE DOES:** Allows the Attorney General to enforce violations of Oregon Securities Law in areas of racketeering, unlawful trade practices and antitrust violations. Requires consent by the Department of Consumer and Business Services. Authorizes the Attorney General to investigate, enforce and require statements under oath. Penalties include restitution, injunctive relief, and attorney fees to prevailing party and fines not to exceed \$20,000 per violation.

**ISSUES DISCUSSED:**

- Provisions of the measure

**EFFECT OF COMMITTEE AMENDMENT:** Authorizes the Attorney General to bring an enforcement action only after consent by the Director of the Department of Consumer and Business Services. Exempts stock brokers licensed under ORS 59.165.

**BACKGROUND:** Securities are financial instruments issued by a company and traded on a stock exchange. The Department of Consumer and Business Services has the primary role for regulation of the securities industry in Oregon. Currently, the Oregon Department of Justice and the Department of Consumer and Business Services cannot pursue violations of Oregon Securities Laws for companies listed on the National Association of Securities Dealers Automated Quotations (NASDAQ) system, the American Stock Exchange or the New York Stock Exchange (NYSE). SB 119 A allows the Department of Justice to pursue enforcement against national companies registered on stock exchanges, such as Enron and Worldcom, for violations of securities laws.