

LD3110260

HOUSE BILL NO. 1312

Offered January 25, 1994

A BILL to amend and reenact §§ 13.1-521 and 13.1-525.1 of the Code of Virginia and to amend the Code of Virginia by adding in Title 23 a chapter numbered 4.9, consisting of sections numbered 23-38.75 through 23-38.77, relating to the Virginia Economic Education Program.

Patrons—Hall, Armstrong, Bennett, Callahan, Christian, Clement, Cohen, Connally, Cooper, Copeland, Councill, DeBoer, Deeds, Diamonstein, Dickinson, Fisher, Giesen, Hamilton, Hargrove, Heilig, Jackson, Jones, J.C., Keating, Kidd, Miller, Mims, Murphy, O'Brien, Orrock, Parrish, Plum, Puller, Reynolds, Rhodes, Robinson, Shuler, Spruill, Tata, Van Landingham, Van Yahres, Wagner, Wardrup, Watkins and Woodrum; Senators: Barry, Benedetti, Calhoun, Chichester, Gartlan, Hawkins, Holland, C.A., Holland, E.M., Holland, R.J., Lambert, Stolle, Stosch, Walker and Wampler

Referred to Committee on Appropriations

Be it enacted by the General Assembly of Virginia:

1. That §§ 13.1-521 and 13.1-525.1 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Title 23 a chapter numbered 4.9, consisting of sections numbered 23-38.75 through 23-38.77 as follows:

§ 13.1-521. Civil offenses punishable by the Commission.

A. The Commission may, by judgment entered after a hearing on notice duly served on the defendant not less than thirty days before the date of the hearing, if it is proved that the defendant has knowingly made any misrepresentation of a material fact for the purpose of inducing the Commission to take any action or to refrain from taking action, or has violated any provision of this chapter or any order, rule, or regulation of the Commission issued pursuant to this chapter, impose a *civil* penalty not exceeding \$5,000, which shall be collectible by the process of the Commission as provided by law. *Such civil penalty shall be paid into the state treasury and deposited by the State Treasurer into the Virginia Economic Education Fund pursuant to Chapter 4.9 of Title 23 (§ 23-38.75 et seq.). However, civil penalties paid pursuant to this section into the Virginia Economic Education Fund shall not exceed, in the aggregate, \$100,000 per calendar year.*

B. In addition to imposing the *civil* penalty set forth in subsection A, or without imposing such penalty, the Commission may, in any such case, revoke any authority or registration issued by the Commission to or at the instance of the defendant.

C. Each sale of a security in violation of the provisions of this chapter shall constitute a separate offense. The Commission may request the seller to rescind any such sale and to make restitution to the purchaser. If the seller complies with the request, the Commission shall consider such compliance in determining whether a penalty should be imposed on him on account of that illegal sale, and if so, the amount of such penalty.

D. Each investment advisory contract, transaction or activity in violation of the provisions of this chapter shall constitute a separate offense. The Commission may request the investment advisor or investment advisor representative to rescind any such contract or transaction and to make restitution to the user of the investment advisory service, and if the investment advisor or investment advisor representative complies with the request, the Commission shall consider such compliance in determining whether a *civil* penalty should be imposed on him on account of that illegal contract, transaction or activity and, if so, the amount of such penalty.

§ 13.1-525.1. Fees to cover expense of regulation.

The fees paid into the state treasury under this chapter, except for fees and funds collected for the Literary Fund and Economic Education Fund pursuant to § 13.1-521, shall be deposited into a special fund and specifically accounted for and used by the State Corporation Commission to defray the costs of supervising, implementing, and administering the provisions of this chapter and Chapters 6 (§ 13.1-528 et seq.) and 8 (§ 13.1-557 et seq.) of this title, and Chapters 6 (§ 59.1-77 et seq.) and 7 (§ 59.1-93 et seq.) of Title 59.1. Included in the Commission's costs shall be a reasonable margin in the nature of a reserve fund. All excesses of fees collected exceeding these costs shall revert to the general fund.

CHAPTER 4.9.

VIRGINIA ECONOMIC EDUCATION PROGRAM.

§ 23-38.75. Virginia Economic Education Program created; purpose.

There is hereby created the Virginia Economic Education Program, hereafter referred to as the Program, to be used for the purpose of providing the resources and services through public institutions of higher education that teachers need to prepare kindergarten through grade twelve students to

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60 *understand the economy and to develop the decision-making skills they need to be informed citizens,*
61 *productive employers and employees, and wise consumers.*

62 *§ 23.38.76. Economic Education Fund created.*

63 *A. The Economic Education Fund, hereafter referred to as the Fund, shall be a nonlapsing revolving*
64 *fund consisting of grants, general funds, and other such moneys appropriated by the General Assembly,*
65 *and moneys received by the State Treasurer for civil penalties paid pursuant to § 13.1-521.*

66 *B. All moneys received pursuant to subsection A of this section shall be and hereby are credited to*
67 *the Fund. The Fund shall be established on the books of the State Comptroller. Interest earned on the*
68 *Fund shall be credited to the Fund. Any moneys remaining in the Fund at the end of the biennium shall*
69 *not revert to the general fund but shall remain in the fund.*

70 *C. The Department of the Treasury shall manage the Fund, under the guidance and direction of*
71 *Virginia Commonwealth University, from such funds as are appropriated and received for the purposes*
72 *of this chapter.*

73 *§ 23-38.77. Disbursements from Fund; administration of Program.*

74 *A. Moneys from the Fund shall be disbursed for:*

75 *1. Credit and certificate renewal courses designed to meet the needs of classroom teachers;*

76 *2. Seminars, workshops and programs focused on current local, national and international economic*
77 *issues;*

78 *3. Recognition for teachers developing exemplary teaching strategies and programs;*

79 *4. Materials designed to meet the needs of a diverse student population comprised of many different*
80 *learning styles;*

81 *5. Special statewide programs designed to help students develop economic decision-making skills;*
82 *and*

83 *6. Such other purposes that Virginia Commonwealth University deems appropriate.*

84 *B. The Program shall be administered by Virginia Commonwealth University.*