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**HOUSE JOINT RESOLUTION NO. 150**  
**FLOOR AMENDMENT IN THE NATURE OF A SUBSTITUTE**

(Proposed by Delegate Purkey  
on February 17, 1998)

(Patron Prior to Substitute—Delegate Purkey)

*Requesting the Division of Securities and Retail Franchising of the Virginia State Corporation Commission to study licensing requirements in the Virginia securities industry.*

WHEREAS, persons who are registered as agents of broker-dealers and investment advisor representatives of investment advisors and federal covered advisors are required to pass examinations administered by the National Association of Securities Dealers, Inc., in order to be registered with broker-dealers, investment advisors, and federal covered advisors; and

WHEREAS, persons whose registrations are terminated for two years must take and pass these examinations again; and

WHEREAS, persons who retire, are furloughed, or who have their employment terminated without cause, whether by merger, acquisition or otherwise from broker-dealers, investment advisors, and federal covered advisors forfeit their registrations through termination by the broker-dealer, investment advisor or federal covered advisor; and

WHEREAS, these persons cannot be registered as agents of broker-dealers or investment advisor representatives of investment advisors or federal covered advisors if their registrations have been terminated for two years, until they pass the examinations again; and

WHEREAS, the requirement to pass the examinations again places an undue burden on these persons; and

WHEREAS, under certain circumstances, broker-dealers, investment advisors, or federal covered advisors withhold from such individuals accrued benefits, profit sharing funds, bonus programs, and stock options; and

WHEREAS, such individuals are not afforded sufficient time and opportunity to transfer their registrations so as not to adversely affect any benefits, bonus plans, deferred profit sharing plans or stock bonus plans which mature on a year-to-year basis; and

WHEREAS, the Division of Securities and Retail Franchising of the Virginia State Corporation Commission should examine the current statutory and regulatory scheme governing Virginia's securities industry to ensure that it adequately provides for, under certain circumstances, the continuation of registrations of broker-dealer agents or investment advisor representatives when they are in transition from one broker-dealer, investment advisor or federal covered advisor to another, now, therefore, be it

RESOLVED, by the House of Delegate, the Senate concurring, That the Division of Securities and Retail Franchising of the Virginia State Corporation Commission be requested to determine whether Virginia's securities laws should be amended to permit persons who are Virginia residents (i) over the age of 50 or who have otherwise reached a self-determined retirement age, and (ii) who are currently registered within the securities industry as broker-dealer agents and/or investment advisor representatives to retain their registrations under the Virginia Securities Act, without impairment, restriction, or cancellation in the event they change employments, are furloughed, or have their employments terminated where no unlawful conduct occurred, whether by merger, acquisition or otherwise.

The Division of Securities and Retail Franchising is also requested to assist in determining whether it should be the policy of the Commonwealth (i) to prohibit the withholding from such individuals by broker-dealers, investment advisors or federal covered advisors of accrued benefits, profit sharing funds, bonus programs, stock options, and (ii) to allow such individuals sufficient time and opportunity to transfer their registrations intact so as not to adversely affect any benefits, bonus plans, deferred profit sharing plans, or stock bonus plans which mature on a year-to-year basis.

All agencies of the Commonwealth shall provide assistance to the Division of Securities and Retail Franchising for this study, upon request.

The Division of Securities and Retail Franchising shall complete its work in time to submit its findings and recommendations to the Governor and the 1999 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

HOUSE SUBSTITUTE

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