

## 1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 12.1-10 of the Code of Virginia, relating to State Corporation*  
3 *Commission conflicts of interests.*

4 [S 1131]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 12.1-10 of the Code of Virginia is amended and reenacted as follows:**

8 § 12.1-10. Prohibited conflicts of interests.

9 *A. As used in this section, "member of the immediate family of a member, subordinate, or employee*  
10 *of the Commission" means (i) a spouse of a member, subordinate, or employee of the Commission or*  
11 *(ii) any other person who resides in the same household as a member, subordinate, or employee of the*  
12 *Commission and (a) who is a dependent of a member, subordinate, or employee of the Commission or*  
13 *(b) of whom a member, subordinate, or employee of the Commission is a dependent.*

14 *B. The members of the Commission and its subordinates and employees shall not, directly or*  
15 *indirectly, own any securities of, have any pecuniary interest in, or hold any position with any*  
16 *corporation entity whose rates, services, or financial ability to meet its obligations to the public are*  
17 *subject to supervision or regulation by the Commission; nor shall any such person engage in the private*  
18 *practice of law. If a member of the immediate family of a member, subordinate, or employee of the*  
19 *Commission is employed by any entity whose rates, services, or financial ability to meet its obligations*  
20 *to the public is subject to supervision or regulation by the Commission, the member, subordinate, or*  
21 *employee of the Commission shall recuse himself from and not participate in any regulatory matter at*  
22 *the Commission in which such entity is a party.*

23 *C. This section shall not prevent any such person from being a policyholder in any insurance*  
24 *company; from being a depositor in any bank, savings institution, or similar institution; or from being a*  
25 *holder of a security issued by a unit investment trust or management company as those terms are*  
26 *defined in the Investment Company Act of 1940 and in accordance with such rules as the Commission*  
27 *may adopt.*

28 *D. Any member of the Commission who violates this section may be censured or removed from*  
29 *office in the manner provided by Article VI, Section 10 of the Constitution of Virginia. Any subordinate*  
30 *or employee of the Commission who violates this section may be removed from office by the*  
31 *Commission.*

ENROLLED

SB1131ER