

DEPARTMENT OF COMMERCE FUND

AMENDMENTS

2007 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kevin T. VanTassell

House Sponsor: John G. Mathis

LONG TITLE

General Description:

This bill modifies provisions related to the Department of Commerce to address education and training funds in the consumer protection and securities areas.

Highlighted Provisions:

This bill:

- ▶ increases the cap on the Consumer Protection Education and Training Fund;
- ▶ increases the cap on the Securities Investor Education and Training Fund; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

13-2-8, as last amended by Chapter 18, Laws of Utah 2005

61-1-18.7, as last amended by Chapter 256, Laws of Utah 2002

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **13-2-8** is amended to read:



28 **13-2-8. Consumer Protection Education and Training Fund.**

29 (1) There is created a restricted special revenue fund known as the "Consumer
30 Protection Education and Training Fund."

31 (2) (a) Unless otherwise provided by a chapter listed in Section 13-2-1, all money not
32 distributed as consumer restitution that is received by the division from the following on the
33 division's own behalf and not in a representative capacity shall be deposited into the Consumer
34 Protection Education and Training Fund:

35 (i) administrative fines and settlements~~[- from]~~;

36 (ii) criminal restitution~~[-];~~ or ~~[from]~~

37 (iii) civil damages, forfeitures, penalties, and settlements ~~[when the division receives~~
38 ~~the monies on its own behalf and not in a representative capacity, shall be deposited into the~~
39 ~~fund].~~

40 (b) Any portion of the ~~[fund]~~ Consumer Protection Education and Training Fund may
41 be maintained in an interest-bearing account.

42 (c) All interest earned on fund monies shall be deposited into the ~~[fund]~~ Consumer
43 Protection Education and Training Fund.

44 (3) Notwithstanding Title 63, Chapter 38, Budgetary Procedures Act, the division may
45 use the ~~[fund]~~ Consumer Protection Education and Training Fund with the approval of the
46 executive director of the Department of Commerce in a manner consistent with the duties of
47 the division under this chapter for:

48 (a) consumer protection education for members of the public;

49 (b) equipment for and training of division personnel;

50 (c) publication of consumer protection brochures, laws, policy statements, or other
51 material relevant to the division's enforcement efforts; and

52 (d) investigation and litigation undertaken by the division.

53 (4) If the balance in the ~~[fund]~~ Consumer Protection Education and Training Fund
54 exceeds ~~[\$100,000]~~ \$250,000 at the close of any fiscal year, the excess shall be transferred to
55 the General Fund.

56 Section 2. Section **61-1-18.7** is amended to read:

57 **61-1-18.7. Funding of securities investor education and training.**

58 (1) There is created a restricted special revenue fund known as the "Securities Investor

59 Education and Training Fund" to provide revenue for educating the public and the securities
60 industry as provided in this section.

61 (2) All money received by the state by reason of civil penalties ordered and
62 administrative fines collected pursuant to this chapter shall be deposited in the Securities
63 Investor Education and Training Fund, and subject to the requirements of Title 51, Chapter 5,
64 Funds Consolidation Act.

65 (3) The [~~special revenue fund~~] Securities Investor Education and Training Fund may
66 include any fines collected by the division after July 1, 1989, pursuant to voluntary settlements
67 or administrative orders.

68 (4) (a) The [~~fund~~] Securities Investor Education and Training Fund shall earn interest.

69 (b) All interest earned on special revenue fund monies shall be deposited into the
70 [~~fund~~] Securities Investor Education and Training Fund.

71 (5) Notwithstanding Title 63, Chapter 38, Budgetary Procedures Act, the director may
72 use special revenue fund monies, upon concurrence of the Securities Advisory Board and the
73 executive director of the Department of Commerce, in a manner consistent with the duties of
74 the division under this chapter and only for any or all of the following and the expense of
75 providing them:

76 (a) education and training of Utah residents in matters concerning securities laws and
77 investment decisions, by publications or presentations;

78 (b) education of registrants and licensees under this chapter, by:

79 (i) publication of this chapter and rules and policy statements and opinion letters of the
80 division; and

81 (ii) sponsorship of seminars or meetings to educate registrants and licensees as to the
82 requirements of this chapter; and

83 (c) investigation and litigation.

84 (6) If the balance in the [~~fund~~] Securities Investor Education and Training Fund
85 exceeds [~~\$100,000~~] \$250,000 at the close of any fiscal year, the excess shall be transferred to
86 the General Fund.

Legislative Review Note
as of 12-18-06 10:38 AM

Office of Legislative Research and General Counsel

S.B. 121 - Department of Commerce Fund Amendments

**Revised
Fiscal Note**

2007 General Session
State of Utah

State Impact

Two funds, the Consumer Protection Education and Training Fund and the Securities Investor Education and Training Fund will see their caps raised from the current \$100,000 to \$250,000 each. This impacts the projected revenues for both FY 2007 and FY 2008 in that approximately \$250,000 that was expected to be transferred to the General Fund will not occur. The FY 2009 revenue projections, yet to be determined, will be adjusted for the decreased General Fund transfers.

	<u>FY 2007 Approp.</u>	<u>FY 2008 Approp.</u>	<u>FY 2009 Approp.</u>	<u>FY 2007 Revenue</u>	<u>FY 2008 Revenue</u>	<u>FY 2009 Revenue</u>
General Fund	\$0	\$0	\$0	(\$250,000)	(\$250,000)	\$0
Restricted Funds	\$0	\$0	\$0	\$250,000	\$250,000	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
