

By: Representative Turner

To: Ways and Means

HOUSE BILL NO. 1440

1 AN ACT TO AMEND SECTION 75-71-305, MISSISSIPPI CODE OF 1972,
 2 TO REMOVE THE REQUIREMENT THAT A PERSON FILING A POSTEFFECTIVE
 3 AMENDMENT TO INCREASE THE NUMBER OF SECURITIES SPECIFIED TO BE
 4 OFFERED OR SOLD SHALL PAY A REGISTRATION FEE WITH RESPECT TO THE
 5 ADDITIONAL SECURITIES PROPOSED TO BE OFFERED; TO AMEND SECTION
 6 75-71-310, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE INITIAL
 7 FILING FEE FOR A NOTICE FILING WITH RESPECT TO A FEDERAL COVERED
 8 SECURITY IS \$1,000.00; TO PROVIDE THAT THE FILING FEE FOR A
 9 REGISTRATION STATEMENT UNDER SECTION 75-71-305 IS \$1,000.00; TO
 10 REMOVE THE FILING FEE FOR AN AMENDMENT TO A REGISTRATION STATEMENT
 11 TO REGISTER ADDITIONAL SECURITIES; TO PROVIDE THAT THE FEE FOR ANY
 12 RENEWAL REQUIRED UNDER THIS CHAPTER OR RULE OF THE ADMINISTRATOR
 13 IS \$300.00; TO PROVIDE THAT THE FEE FOR FILING A NOTIFICATION OF
 14 COMPLETION, TERMINATION, OR WITHDRAWAL OF AN OFFERING REQUIRED
 15 UNDER THIS CHAPTER OR RULE OF THE ADMINISTRATOR IS \$50.00; AND FOR
 16 RELATED PURPOSES.

17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

18 **SECTION 1.** Section 75-71-305, Mississippi Code of 1972, is
 19 amended as follows:

20 75-71-305. **Securities registration filings.** (a) **Who may**
 21 **file.** A registration statement may be filed by the issuer, a
 22 person on whose behalf the offering is to be made, or a
 23 broker-dealer registered under this chapter.



24 (b) **Filing fee.** A person filing a registration statement
25 shall pay a filing fee as set forth in Section 75-71-310. This
26 fee shall be nonrefundable * * *.

27 (c) **Status of offering.** A registration statement filed
28 under Section 75-71-303 or 75-71-304 must specify:

29 (1) The amount of securities to be offered in this
30 state;

31 (2) The states in which a registration statement or
32 similar record in connection with the offering has been or is to
33 be filed; and

34 (3) Any adverse order, judgment, or decree issued in
35 connection with the offering by a state securities regulator, the
36 Securities and Exchange Commission, or a court.

37 (d) **Incorporation by reference.** A record filed under this
38 chapter or the predecessor act within five (5) years preceding the
39 filing of a registration statement may be incorporated by
40 reference in the registration statement to the extent that the
41 record is currently accurate.

42 (e) **Nonissuer distribution.** In the case of a nonissuer
43 distribution, information or a record may not be required under
44 subsection (i) or Section 75-71-304, unless it is known to the
45 person filing the registration statement or to the person on whose
46 behalf the distribution is to be made or unless it can be
47 furnished by those persons without unreasonable effort or expense.



48 (f) **Escrow and impoundment.** A rule adopted or order issued
49 under this chapter may require as a condition of registration that
50 a security issued within the previous five (5) years or to be
51 issued to a promoter for a consideration substantially less than
52 the public offering price or to a person for a consideration other
53 than cash be deposited in escrow; and that the proceeds from the
54 sale of the registered security in this state be impounded until
55 the issuer receives a specified amount from the sale of the
56 security either in this state or elsewhere. The conditions of any
57 escrow or impoundment required under this subsection may be
58 established by rule adopted or order issued under this chapter,
59 but the administrator may not reject a depository institution
60 solely because of its location in another state.

61 (g) **Form of subscription.** A rule adopted or order issued
62 under this chapter may require as a condition of registration that
63 a security registered under this chapter be sold only on a
64 specified form of subscription or sale contract and that a signed
65 or conformed copy of each contract be filed under this chapter or
66 preserved for a period specified by the rule or order, which may
67 not be longer than five (5) years.

68 (h) **Effective period.** Except while a stop order is in
69 effect under Section 75-71-306, a registration statement is
70 effective for one (1) year after its effective date, or for any
71 longer period designated in an order under this chapter during
72 which the security is being offered or distributed in a



73 nonexempted transaction by or for the account of the issuer or
74 other person on whose behalf the offering is being made or by an
75 underwriter or broker-dealer that is still offering part of an
76 unsold allotment or subscription taken as a participant in the
77 distribution. For the purposes of a nonissuer transaction, all
78 outstanding securities of the same class identified in the
79 registration statement as a security registered under this chapter
80 are considered to be registered while the registration statement
81 is effective. If any securities of the same class are
82 outstanding, a registration statement may not be withdrawn until
83 one (1) year after its effective date. A registration statement
84 may be withdrawn only with the approval of the administrator.

85 (i) **Periodic reports.** While a registration statement is
86 effective, a rule adopted or order issued under this chapter may
87 require the person that filed the registration statement to file
88 reports, not more often than quarterly, to keep the information or
89 other record in the registration statement reasonably current and
90 to disclose the progress of the offering.

91 (j) **Posteffective amendments.** A registration statement may
92 be amended after its effective date. The posteffective amendment
93 becomes effective when the administrator so orders. * * * A
94 posteffective amendment relates back to the date of the offering
95 of the additional securities being registered if, within one (1)
96 year after the date of the sale, the amendment is filed and the
97 additional registration fee is paid.



98 **SECTION 2.** Section 75-71-310, Mississippi Code of 1972, is
99 amended as follows:

100 75-71-310. (a) **Required fees for notice filing for federal**
101 **covered securities under Section 18(b)(2).** The initial filing fee
102 for a notice filing with respect to a federal covered security
103 described in subsection (a) of Section 75-71-302 is * * * One
104 Thousand Dollars (\$1,000.00). * * *

105 (b) **Required fees for notice filings for federal covered**
106 **securities.** The filing fee for a notice filing with respect to a
107 security that is a federal covered security * * * described in
108 Section 75-71-302(c) and (e) is Three Hundred Dollars (\$300.00).
109 The fee for a late filing, which is an additional fee, is one
110 percent (1%) of the dollar amount of the offering sold in the
111 state up to a maximum of Five Thousand Dollars (\$5,000.00).

112 (c) **Required fees for securities registration filings under**
113 **Section 75-71-305.** * * * The filing fee for a registration
114 statement under Section 75-71-305 is * * * One Thousand Dollars
115 (\$1,000.00).

116 * * *

117 (d) **Renewals.** The fee for any renewal required under this
118 chapter or rule of the administrator is Three Hundred Dollars
119 (\$300.00).

120 (e) **Termination or Withdrawal.** The fee for filing a
121 notification of completion, termination, or withdrawal of an



122 offering required under this chapter or rule of the administrator
123 if Fifty Dollars (\$50.00).

124 **SECTION 3.** This act shall take effect and be in force from
125 and after July 1, 2020.

