

By: Senator(s) DeBar

To: Education;
Appropriations

SENATE BILL NO. 2603

1 AN ACT TO AMEND SECTION 75-71-601, MISSISSIPPI CODE OF 1972,
2 TO CREATE THE SECURITIES INVESTOR EDUCATION FUND, INTO WHICH SHALL
3 BE DEPOSITED MONIES DERIVED FROM LATE PENALTIES ON CERTAIN NOTICE
4 FILING FEES FOR FEDERAL COVERED SECURITIES; TO PROVIDE THAT, AT
5 THE END OF A FISCAL YEAR, 50% OF THE AMOUNT IN THE SPECIAL FUND
6 SHALL LAPSE INTO THE STATE GENERAL FUND, AND THE REMAINING 50%
7 SHALL REMAIN IN THE SPECIAL FUND; TO AUTHORIZE THE ADMINISTRATOR,
8 AT ANY TIME, TO DEPOSIT ANY AMOUNT OF MONIES IN THE SPECIAL FUND
9 INTO THE STATE GENERAL FUND; TO PROVIDE THAT THE EXPENDITURE OF
10 MONIES IN THE SPECIAL FUND SHALL BE UNDER THE DIRECTION OF THE
11 ADMINISTRATOR; TO AUTHORIZE THE ADMINISTRATOR TO USE MONIES IN THE
12 FUND TO IMPLEMENT CERTAIN INVESTOR EDUCATION INITIATIVES; AND FOR
13 RELATED PURPOSES.

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

15 **SECTION 1.** Section 75-71-601, Mississippi Code of 1972, is
16 amended as follows:

17 75-71-601. **Administration.** (* * *1) **Administration.** The
18 administrator shall administer this chapter.

19 (* * *2) **Unlawful use of records or information.** It is
20 unlawful for the administrator or an officer, employee, or
21 designee of the administrator to use for personal benefit or the
22 benefit of others records or other information obtained by or
23 filed with the administrator that are not public under Section



75-71-607(b). This chapter does not authorize the administrator or an officer, employee, or designee of the administrator to disclose the record or information, except in accordance with Section 75-71-602, 75-71-607(c), or 75-71-608.

(* * *3) **No privilege or exemption created or diminished.**

This chapter does not create or diminish a privilege or exemption that exists at common law, by statute or rule, or otherwise.

(* * *4) **Investor education.** The administrator may develop and implement investor education initiatives to inform the public about investing in securities, with particular emphasis on the prevention and detection of securities fraud. In developing and implementing these initiatives, the administrator may collaborate with public and nonprofit organizations with an interest in investor education. The administrator may accept a grant or donation from a person that is not affiliated with the securities industry or from a nonprofit organization, regardless of whether the organization is affiliated with the securities industry, to develop and implement investor education initiatives. This subsection does not authorize the administrator to require participation or monetary contributions of a registrant in an investor education program.

(5) There is created in the State Treasury a special fund to be known as the Securities Investor Education Fund. Monies derived from late filing fee penalties under Section 75-71-310(b) shall be deposited into the fund. At the end of a fiscal year,



fifty percent (50%) of the amount in the fund, inclusive of any interest earned or investment earnings on amounts in the fund, shall lapse into the State General Fund, and the remaining fifty percent (50%) shall remain in the special fund; however, the administrator may, at any time, deposit any amount of monies in the special fund into the State General Fund.

(6) The expenditure of monies in the special fund shall be under the direction of the administrator, and such monies shall be paid by the State Treasurer upon warrants issued by the Department of Finance and Administration. The administrator may use monies in the fund to implement:

(a) Investor education initiatives to inform the public about investing in securities, including initiatives with particular emphasis on the prevention and detection of securities fraud;

(b) Investor education initiatives with particular emphasis on personal finance; and/or

(c) Investor education initiatives in coordination with the State Department of Education or any other government agency, person, nonprofit organization or for-profit organization.

SECTION 2. This act shall take effect and be in force from and after July 1, 2025.

