

State of Arkansas  
85th General Assembly  
Regular Session, 2005

# A Bill

HOUSE BILL 1170

By: Representative J. Hutchinson

## For An Act To Be Entitled

AN ACT TO AMEND CERTAIN REGISTRATION AND  
EXEMPTION PROVISIONS OF THE ARKANSAS SECURITIES  
ACT; AND FOR OTHER PURPOSES.

## Subtitle

TO AMEND CERTAIN REGISTRATION AND  
EXEMPTION PROVISIONS OF THE ARKANSAS  
SECURITIES ACT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 23-42-402(c)(1), concerning the effective date of a registration statement filed in conjunction with a federal registration statement, is amended to read as follows:

(c)(1) A registration statement under this section automatically becomes effective at the moment the federal registration statement becomes effective if all the following conditions are satisfied:

(A) No stop order is in effect and no proceeding is pending under § 23-42-405;

(B) The registration statement has been on file with the commissioner for at least ~~ten (10)~~ twenty (20) days; and

(C) A statement of the maximum and minimum proposed offering prices and the maximum underwriting discounts and commissions has been on file for two (2) full business days or such shorter period as the commissioner permits by rule or otherwise, and the offering is made within those limitations.



1       SECTION 2. Arkansas Code § 23-42-503(d), concerning exempt securities,  
2 is amended to read as follows:

3       (d)(1) Before any security may be issued as an exempted security under  
4 ~~subdivisions (a)(3) — (a)(5) or subdivision (a)(7), or subsection (e),~~ of  
5 this section, a proof of exemption must first be filed with the commissioner,  
6 and the commissioner by order shall not have disallowed the exemption within  
7 the next ~~five (5)~~ ten (10) full business days.

8       (2) The proof of exemption shall contain a statement of the  
9 grounds upon which the exemption is claimed and a designation of the  
10 subsection of this section under which the exemption is claimed.

11       (3) Proofs of exemption which have not been completed within a  
12 period of one hundred eighty (180) days after filing with the commissioner  
13 may be deemed abandoned and considered withdrawn by the applicant, provided  
14 the applicant has been notified of the deficiencies to the proof and afforded  
15 a reasonable opportunity to correct the deficiencies.

16       (4) Each offering shall be effective only for twelve (12)  
17 consecutive months, ~~, unless the commissioner by rule or order shall extend~~  
18 ~~the period of time to not more than five (5) years.~~

19       (5) For every proof of exemption filed with the commissioner,  
20 there shall be paid to the commissioner a filing fee ~~of one hundred dollars~~  
21 ~~(\$100), except that, for a proof of exemption filed under subdivision (a)(7)~~  
22 ~~of this section, the filing fee is equal to~~ one-tenth percent (0.1%) of the  
23 maximum aggregate offering price at which the securities are to be offered in  
24 this state. The fee shall in no case be less than one hundred dollars (\$100)  
25 nor more than five hundred dollars (\$500). The commissioner shall have  
26 authority under this subsection to amend or rescind the filing fees by rule  
27 or order if the commissioner determines that the fee is excessive under the  
28 circumstances.

29  
30       SECTION 3. Arkansas Code § 23-42-504(b)(1), concerning exempt  
31 securities transactions, is amended to read as follows:

32       (b)(1) Before any transaction shall be executed as an exempted  
33 transaction under subdivisions (a)(9) or (a)(10) of this section, except, in  
34 the case of dividend reinvestment and stock purchase programs pursuant to  
35 subdivision (a)(10) of this section, a proof of exemption must first be filed  
36 with the commissioner and the commissioner by order shall not have disallowed

1 the exemption within the next ~~five (5)~~ ten (10) full business days. Before  
2 any dividend reinvestment and stock purchase program shall be executed as an  
3 exempt transaction under subdivision (a)(10) of this section, an initial  
4 proof of exemption shall be filed; thereafter in every fifth year a proof of  
5 exemption must be filed with the commissioner and the commissioner by order  
6 must not have disallowed the exemption within the next ~~five (5)~~ ten (10) full  
7 business days.