2016 Regular Session

ACT No. 141

HOUSE BILL NO. 521

BY REPRESENTATIVE CARMODY

AN ACT
To amend and reenact R.S. 51:705(H)(1)(introductory paragraph) and
709(5)(a)(introductory paragraph) and (ii) and (b) and (10), relative to Louisiana
Securities Law and the registration of securities; to maintain registration of securities
under Tier 1 of Regulation A of the Federal Securities Act of 1933; to provide a
notice filing requirement for securities under Tier 2 of Regulation A of the Federal
Securities Act of 1933; to provide an updated statutory reference; to provide a
limited exemption for an issuer to determine the level of interest in securities to be
issued under Tier 1 of Regulation A of the Federal Securities Act of 1933; and to
provide for related matters.
Be it enacted by the Legislature of Louisiana:
Section 1. R.S. 51:705(H)(1)(introductory paragraph) and 709(5)(a)(introductory
paragraph) and (ii) and (b) and (10) are hereby amended and reenacted to read as follows:
§705. Registration of Securities; when and how required; delivery of prospectus
* * *
H. Registration of <u>TIER 1</u> Regulation A Securities. (1) Any security that
qualifies under <u>Tier 1 of</u> Regulation A adopted <u>under pursuant to</u> Section 3(b) of the
Federal Securities Act of 1933, as now or hereafter amended, may be registered
under the terms and conditions provided in this Subsection by filing all of the
following:
* * *
§709. Exempt transactions
Except as expressly provided in this Section, R.S. 51:703 shall not apply to
any offer or sale of a security in connection with any transaction described in

Page 1 of 3

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

HB NO. 521 ENROLLED

Paragraph (1), (2), (6), (7), (8), (9), (11), (12), (13), or (17) of this Section, and R.S. 51:705 shall not apply to any offer or sale of or subscription for any security in connection with any of the following transactions:

* * *

(5)(a) Any transaction in securities pursuant to a registration statement effective under the Securities Act of 1933, as now or hereafter amended, or of securities exempt from the registration requirements of such Act pursuant to <u>Tier 2</u> of Regulation A, B, E, or F adopted under Section 3(b) or 3(c), thereof or pursuant to any other exemption under such sections which the commissioner has, by rule or regulation, approved, but only during the continuance of such exemption, provided that the commissioner has received prior to such sale:

* * *

(ii) A copy of the initial registration statement, excluding exhibits, or the notification on <u>Uniform Notice of Regulation A - Tier 2 Offerings</u>, Form 1-B, 1-E, or 1-F, or any <u>form</u> substituted <u>form</u> therefor, and related offering circular or offering sheet, but excluding other exhibits, filed with the Securities and Exchange Commission or, in the case of an exemption under Section 3(b) or 3(c) of such Securities Act of 1933 which has been approved by the commissioner under this Paragraph, copies of such information or documents as the commissioner may, by rule or regulation, require.

* * *

(b) The commissioner, after receiving the items called for by Subparagraphs Items (a)(i) through (iv) of this Paragraph, shall issue a written and dated receipt therefor to the person which executed the notice of intention to sell. In the event any offer is to be made pursuant to this exemption more than twelve months after the date on which the commissioner issues his receipt under this Paragraph, then it shall be necessary for the issuer to file with the commissioner a copy of the prospectus which the issuer is currently utilizing for the purpose of making such offer and a renewal fee as provided in R.S. 51:709(5)(c) R.S. 51:706(H). After receiving such prospectus and fee, the commissioner shall issue a written and dated receipt therefor.

HB NO. 521 ENROLLED

The issuer shall be required to comply with these renewal requirements every twelve months so long as the offering shall continue in this state. The issuance by the commissioner of any receipt called for by this Paragraph shall not be a condition to the effectiveness of the exemption provided hereby within the provisions of this Paragraph.

6 * * *

APPROVED: __

(10)(a) Any offer, but not a sale, of a security for which a registration statement has been filed under the Securities Act of 1933, as now or hereafter amended, if no stop order or refusal order is in effect and no public proceeding or examination looking toward such an order is pending under such act.

(b) Any offer, but not a sale, of a Tier 1 Regulation A security under Section 3(b)(2) of the Securities Act of 1933, where the issuer intends to register the security in multiple states using a coordinated review for these offerings, and conducts its offering in compliance with federal Regulation A as promulgated by the Securities and Exchange Commission.

Section 2. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as proved by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

Page 3 of 3