

HB 1604 – AS AMENDED BY THE HOUSE

20Mar2014... 0633h

2014 SESSION

14-2557
04/08

HOUSE BILL **1604**

AN ACT establishing a commission to study financial fraud laws and the rights of victims
of financial fraud.

SPONSORS: Rep. K. Williams, Hills 4; Rep. Schlachman, Rock 18

COMMITTEE: Commerce and Consumer Affairs

ANALYSIS

This bill establishing a commission to study financial fraud laws and the rights of victims of
financial fraud.

Explanation: Matter added to current law appears in ***bold italics.***
 Matter removed from current law appears [~~in brackets and struck through.~~]
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fourteen

AN ACT establishing a commission to study financial fraud laws and the rights of victims
 of financial fraud.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Section; Department of Justice; Commission to Study Financial Fraud Laws and the
2 Rights of Victims of Financial Fraud. Amend RSA 21-M by inserting after section 8-m the following
3 new section:

4 21-M:8-n Commission to Study Financial Fraud Laws and the Rights of Victims of Financial
5 Fraud.

6 I. There is established a commission to study financial fraud laws and the rights of victims of
7 financial fraud. The members of the commission shall be as follows:

8 (a) Three members of the house of representatives, one of whom shall be from the
9 committee with jurisdiction over commerce issues, and one of whom shall be from the committee
10 with jurisdiction over criminal justice and public safety issues, appointed by the speaker of the house
11 of representatives.

12 (b) The commissioner of the banking department, or designee.

13 (c) The commissioner of the insurance department, or designee.

14 (d) A member of the bureau of securities regulation, appointed by the secretary of state.

15 (e) The attorney general, or designee.

16 (f) A New Hampshire attorney with expertise in financial fraud cases, nominated by the
17 New Hampshire Bar Association.

18 II. The legislative members of the commission shall receive mileage at the legislative rate
19 while attending to the duties of the commission.

20 III. The commission shall:

21 (a) Study the feasibility of creating an administrative hearing office within the
22 department of justice to standardize adjudicative procedures involving state agencies and enhance
23 their adjudicative capabilities.

24 (b) Study the feasibility of creating an office of the state receiver, which would be
25 responsible, when necessary, for the liquidation of New Hampshire financial entities where fraud
26 has occurred.

27 (c) Determine if adequate supervision and control of business activities of regulated
28 entities exists to protect consumers, and recommend legislation as may be necessary.

29 (d) Study the changes needed in New Hampshire law to provide additional protections

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1 for consumers against financial fraud and to protect the rights of victims of such fraud cases when
2 they occur.

3 IV. The members of the commission shall elect a chairperson from among the members. The
4 first meeting of the commission shall be called by the first-named house member. The first meeting
5 of the commission shall be held within 45 days of the effective date of this section. Five members of
6 the commission shall constitute a quorum.

7 V. The commission shall report its findings and any recommendations for proposed
8 legislation to the speaker of the house of representatives, the president of the senate, the house clerk,
9 the senate clerk, the governor, and the state library on or before November 1, 2015.

10 2 Repeal. RSA 21-M:8-n, relative to the commission to study financial fraud laws and the rights
11 of victims of financial fraud, is repealed.

12 3 Effective Date.

13 I. Section 2 of this act shall take effect November 2, 2015.

14 II. The remainder of this act shall take effect upon its passage.