



2009 SENATE BILL 604

March 9, 2010 - Introduced by Senator WIRCH, cosponsored by Representative BARCA. Referred to Committee on Ethics Reform and Government Operations.

1 **AN ACT** *to create* 551.102 (21m) of the statutes; **relating to:** defining political
2 subdivision of a state for purposes of the Wisconsin Uniform Securities Law.

Analysis by the Legislative Reference Bureau

Under current law, with certain exceptions, a person may not offer or sell a security in this state unless the security is registered with the Division of Securities (division) in the Department of Financial Institutions. Certain exceptions apply to securities issued, insured, or guaranteed by political subdivisions of states or by certain foreign governments or their political subdivisions, and to sales and offers to sell to institutional investors. In addition, broker-dealers and investment advisors are exempt from a requirement under current law to register with the division if they deal in this state exclusively with specified persons, including institutional investors. Current law also exempts certain investment advisors registered under federal law from filing a required notice with the division if they do not have a place of business in this state and they deal in this state exclusively with specified persons, including institutional investors. Current law defines “institutional investor” to include certain employee benefits plans of a political subdivision of a state, but does not define “political subdivision.”

This bill defines what constitutes a political subdivision of this state for purposes of the provisions of current law described above. Under this bill, “political

