
Detailed Fiscal Analysis

The bill would permit a person who is entitled to attend a shareholders' meeting, to vote at such meeting, and to execute consents, waivers, or releases to appoint a proxy in his/her stead via a verifiable communication. In general any transmission that creates a record capable of authentication and that appoints a proxy would be considered a sufficient verifiable communication. The bill further defines any transmissions that create a record capable of authentication to include electronic mail, an electronic telephonic transmission, or a facsimile transmission.

In addition, the bill would specifically prohibit any person purchasing securities from knowingly engaging in any act or practice that is declared illegal, fraudulent, or prohibited in the Ohio Securities Law. Whoever commits such an act could be subject to the following penalties:

(A) If the value of the funds or securities involved in the offense or the loss to the victim is less than five hundred dollars, the offender is guilty of a felony of the fifth degree, and the court may impose upon the offender an additional fine of not more than two thousand five hundred dollars.

(B) If the value of the funds or securities involved in the offense or the loss to the victim is five hundred dollars or more but less than five thousand dollars, the offender is guilty of a felony of the fourth degree, and the court may impose upon the offender an additional fine of not more than five thousand dollars.

(C) If the value of the funds or securities involved in the offense or the loss to the victim is five thousand dollars or more but less than twenty-five thousand dollars, the offender is guilty of a felony of the third degree, and the court may impose upon the offender an additional fine of not more than ten thousand dollars.

(D) If the value of the funds or securities involved in the offense or the loss to the victim is twenty-five thousand dollars or more but less than one hundred thousand dollars, the offender is guilty of a felony of the second degree, and the court may impose upon the offender an additional fine of not more than fifteen thousand dollars.

(E) If the value of the funds or securities involved in the offense or the loss to the victim is one hundred thousand dollars or more, the offender is guilty of a felony of the first degree, and the court may impose upon the offender an additional fine of not more than twenty thousand dollars.

Other provisions in the bill change sections of the Ohio Securities Law in order to achieve harmony with H.B. 695 of the 122nd General Assembly, involving investment adviser and investment adviser representative oversight.

□ LBO staff: Sharon Hanrahan, Budget/Policy Analyst

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