

HOUSE BILL NO. 379

INTRODUCED BY HEMSTAD, SMITH

BY REQUEST OF THE STATE AUDITOR

IN THE HOUSE

January 20, 1981	Introduced and referred to Committee on Judiciary.
January 30, 1981	Committee recommend bill do pass. Report adopted.
January 31, 1981	Bill printed and placed on members' desks.
February 2, 1981	Second reading, do pass.
February 3, 1981	Considered correctly engrossed.
February 4, 1981	Third reading, passed. Transmitted to Senate.

IN THE SENATE

February 5, 1981	Introduced and referred to Committee on Judiciary.
March 5, 1981	Committee recommend bill be concurred in. Report adopted.
March 7, 1981	Second reading, concurred in.  On motion taken from Bills and Journal and rereferred to Committee Judiciary. Motion adopted.
March 16, 1981	Committee recommend bill be concurred in as amended. Report adopted.

March 18, 1981 Second reading, concurred in as amended.

March 20, 1981 Third reading, concurred in as amended. Ayes, 47; Noes, 1.

#### IN THE HOUSE

March 21, 1981 Returned from Senate with amendments.

April 7, 1981 Second reading, amendments concurred in.

On motion rules suspended and bill placed on third reading this day.

Third reading, amendments concurred in. Ayes, 94; Noes, 1. Sent to enrolling.

Reported correctly enrolled.

1                    HOUSE    BILL NO.   379  
 2    INTRODUCED BY Amstad-Smith  
 3                    BY REQUEST OF THE STATE AUDITOR

4  
 5    A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE MAXIMUM  
 6    SENTENCE FOR CRIMINAL VIOLATIONS OF THE MONTANA SECURITIES  
 7    ACT AND EXTENDING THE TIME FOR CRIMINAL PROSECUTIONS  
 8    THEREUNDER; AMENDING SECTION 30-10-306, MCA."

9  
 10    BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11            Section 1. Section 30-10-306, MCA, is amended to read:  
 12            "30-10-306. Criminal liabilities. (1) Any person who  
 13    willfully violates any provision of parts 1 through 3 of  
 14    this chapter except 30-10-302, who willfully violates any  
 15    rule or order under parts 1 through 3 of this chapter, or  
 16    who willfully violates 30-10-302 knowing the statement made  
 17    to be false or misleading in any material respect shall upon  
 18    conviction be fined not more than \$5,000 or imprisoned not  
 19    more than 3 10 years, or both; however, in the event the  
 20    person so convicted has been previously convicted of a  
 21    felony in any way involving securities, imprisonment  
 22    hereunder for not less than 1 year shall be mandatory. No  
 23    indictment or information may be returned under parts 1  
 24    through 3 of this chapter more than 5 years after the  
 25    alleged violation; however, the time limitation period may

1    be extended allowing commencement of a prosecution within 1  
 2    year after the date the commissioner or other prosecuting  
 3    officer becomes aware of the violation.

4            (2) The commissioner may refer such evidence as may be  
 5    available concerning violations of parts 1 through 3 of this  
 6    chapter or of any rule or order hereunder to the attorney  
 7    general or the proper prosecuting attorney, who may in his  
 8    discretion, with or without such a reference, institute the  
 9    appropriate criminal proceedings under parts 1 through 3 of  
 10    this chapter.

11            (3) Nothing in parts 1 through 3 of this chapter  
 12    limits the power of the state to punish any person for any  
 13    conduct which constitutes a crime."

-End-

-2-            INTRODUCED BILL  
                   HB 379

Approved by Committee  
on Judiciary

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-2-            SECOND READING  
                 HB 379

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-End-

THIRD READING  
 HB 379

HOUSE BILL NO. 379

INTRODUCED BY HEMSTAD, SMITH  
BY REQUEST OF THE STATE AUDITOR

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE MAXIMUM SENTENCE FOR CRIMINAL VIOLATIONS OF THE MONTANA SECURITIES ACT AND EXTENDING THE TIME FOR CRIMINAL PROSECUTIONS THEREUNDER; AMENDING SECTION 30-10-306, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 30-10-306, MCA, is amended to read:

"30-10-306. Criminal liabilities. (1) Any person who willfully violates any provision of parts 1 through 3 of this chapter except 30-10-302, who willfully violates any rule or order under parts 1 through 3 of this chapter, or who willfully violates 30-10-302 knowing the statement made to be false or misleading in any material respect shall upon conviction be fined not more than \$5,000 or imprisoned not more than 3 10 years, or both; however, in the event the person so convicted has been previously convicted of a felony in any way involving securities, imprisonment hereunder for not less than 1 year shall be mandatory. No indictment or information may be returned under parts 1 through 3 of this chapter more than 5 8 years after the alleged violation; ~~however, the time limitation period may~~

~~be extended allowing commencement of a prosecution within HOWEVER, THE TIME LIMITATION PERIOD MAY BE EXTENDED ALLOWING COMMENCEMENT OF A PROSECUTION WITHIN OR 1 year after the date the commissioner or other prosecuting officer becomes aware of the violation, BUT IN NO CASE MAY THE PROSECUTION BE COMMENCED MORE THAN 10 YEARS AFTER THE ALLEGED VIOLATION.~~

(2) The commissioner may refer such evidence as may be available concerning violations of parts 1 through 3 of this chapter or of any rule or order hereunder to the attorney general or the proper prosecuting attorney, who may in his discretion, with or without such a reference, institute the appropriate criminal proceedings under parts 1 through 3 of this chapter.

(3) Nothing in parts 1 through 3 of this chapter limits the power of the state to punish any person for any conduct which constitutes a crime."

-End-

March 16, 1981

SENATE STANDING COMMITTEE REPORT  
(Judiciary)

That House Bill No. 379 be amended as follows:

1. Page 1, line 25 through line 1 on page 2.

Following: ";" on page 1, line 25

Strike: line 25 through "within" on line 1, page 2.

Insert: "or"

2. Page 2, line 3.

Following: "violation"

Insert: ", but in no case may the prosecution be commenced more than  
10 years after the alleged violation"

March 18, 1981

SENATE COMMITTEE OF THE WHOLE

Proposed amendments to House Bill 379, third reading copy,  
as follows:

THAT THE AMENDMENTS OF THE SENATE STANDING COMMITTEE  
ON JUDICIARY SHOWN BELOW, BE STRICKEN:

1. Page 1, line 25 through page 2, line 1.  
Following: ";" on page 1, line 25.  
Strike: line 25 through "within" on page 2, line 1.  
Insert: "or"
2. Page 2, line 3.  
Following: "violation"  
Insert: ", but in no case may the prosecution be  
commenced more than 10 years after the alleged  
violation"

AND, FURTHER, THAT THE FOLLOWING AMENDMENT BE MADE TO  
THE BILL:

1. Page 1, line 24.  
Following: "than"  
Strike: "5"  
Insert: "8"