such Commission, see Reorg. Plan No. 10 of 1950, §§1, 2, eff. May 24, 1950, 15 F.R. 3175, 64 Stat. 1265, set out under section 78d of this title.

§ 80b–16. Omitted

CODIFICATION

Section, act Aug. 22, 1940, ch. 686, title II, §216, 54 Stat. 857, which required the Securities and Exchange Commission to submit an annual report to Congress on the work of the Commission, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, page 191 of House Document No. 103–7.

§ 80b–17. Penalties

Any person who willfully violates any provision of this subchapter, or any rule, regulation, or order promulgated by the Commission under authority thereof, shall, upon conviction, be fined not more than $10,000, imprisoned for not more than five years, or both.

(Aug. 22, 1940, ch. 686, title II, §217, 54 Stat. 857; Pub. L. 86–750, §15, Sept. 13, 1960, 74 Stat. 888; Pub. L. 94–29, §27(f), June 4, 1975, 89 Stat. 163.)

AMENDMENTS

1975—Pub. L. 94–29 substituted ''imprisoned for not more than five years'' for ''imprisoned for not more than two years''.

1960—Pub. L. 86–750 inserted '', or any rule, regulation or order promulgated by the Commission under authority thereof,''.

EFFECTIVE DATE OF 1975 AMENDMENT

Amendment by Pub. L. 94–29 effective June 4, 1975, see section 31(a) of Pub. L. 94–29, set out as a note under section 78b of this title.

§ 80b–18. Hiring and leasing authority of Commission

The provisions of section 78d(b) of this title shall be applicable with respect to the power of the Commission—

(1) to appoint and fix the compensation of such other employees as may be necessary for carrying out its functions under this subchapter, and

(2) to lease and allocate such real property as may be necessary for carrying out its functions under this subchapter.

(Aug. 22, 1940, ch. 686, title II, §218, 54 Stat. 857; Oct. 28, 1949, ch. 782, title XI, §1106(a), 63 Stat. 972; Pub. L. 101–550, title I, §104(d), Nov. 15, 1990, 104 Stat. 2714.)

AMENDMENTS

1990—Pub. L. 101–550 amended section generally. Prior to amendment, section related to appointment and compensation of employees.

1949—Act Oct. 28, 1949, substituted ''Classification Act of 1949'' for ''Classification Act of 1923''.

REPEALS

Act Oct. 28, 1949, ch. 782, cited as a credit to this section, was repealed (subject to a savings clause) by Pub. L. 89–554, Sept. 6, 1966, §8, 80 Stat. 632, 655.

TRANSFER OF FUNCTIONS

For transfer of functions of Securities and Exchange Commission, with certain exceptions, to Chairman of such Commission, see Reorg. Plan No. 10 of 1950, §§1, 2, eff. May 24, 1950, 15 F.R. 3175, 64 Stat. 1265, set out under section 78d of this title.

§ 80b–18a. State regulation of investment advisers

(a) Jurisdiction of State regulators

Nothing in this subchapter shall affect the jurisdiction of the securities commissioner (or any agency or officer performing like functions) of any State over any security or any person insofar as it does not conflict with the provisions of this subchapter or the rules and regulations thereunder.

(b) Dual compliance purposes

No State may enforce any law or regulation that would require an investment adviser to maintain any books or records in addition to those required under the laws of the State in which it maintains its principal place of business, if the investment adviser—

(1) is registered or licensed as such in the State in which it maintains its principal place of business; and

(2) is in compliance with the applicable books and records requirements of the State in which it maintains its principal place of business.

(c) Limitation on capital and bond requirements

No State may enforce any law or regulation that would require an investment adviser to maintain a higher minimum net capital or to post any bond in addition to any that is required under the laws of the State in which it maintains its principal place of business, if the investment adviser—

(1) is registered or licensed as such in the State in which it maintains its principal place of business; and

(2) is in compliance with the applicable net capital or bonding requirements of the State in which it maintains its principal place of business.

(d) National de minimis standard

No law of any State or political subdivision thereof requiring the registration, licensing, or qualification as an investment adviser shall require an investment adviser to register with the securities commissioner of the State (or any agency or officer performing like functions) or to comply with such law (other than any provision thereof prohibiting fraudulent conduct) if the investment adviser—

(1) does not have a place of business located within the State; and

(2) during the preceding 12-month period, has had fewer than 6 clients who are residents of that State.

(Aug. 22, 1940, ch. 686, title II, §222, as added Pub. L. 86–750, §16, Sept. 13, 1960, 74 Stat. 888; amended Pub. L. 104–290, title III, §304, Oct. 11, 1996, 110 Stat. 3438; Pub. L. 105–353, title III, §301(d)(2), Nov. 3, 1998, 112 Stat. 3237.)

AMENDMENTS

1998—Subsec. (b)(2). Pub. L. 105–353 substituted ''principal'' for ''principle''.

1996—Pub. L. 104–290 substituted ''regulation'' for ''control'' in section catchline and amended text generally, designating existing provisions as subsec. (a), inserting heading, and adding subsecs. (b) to (d).