

MEMO# 1682

January 26, 1990

VIRGINIA LEGISLATIVE UPDATE

January 26, 1990 TO: UNIT INVESTMENT TRUST COMMITTEE NO. 4-90 RE: VIRGINIA LEGISLATIVE UPDATE _____ As you know, the Institute has been working with the Virginia Corporations Commission and the Virginia Securities Commission to eliminate the requirement that unit trusts pay an annual amendment fee. Attached is a draft copy of House Bill 1039 of the Virginia General Assembly that is being sponsored by Delegate George Heilig. The bill amends the Virginia Securities Act as follows: 1. increases the minimum registration fee to \$400 and the maximum fee to \$1,000 (currently set at \$200 and \$700) in Section 509(b) of the Act, 2. provides that the annual amendment fee in Section 512 need not be paid by or on behalf of any unit investment trust, and 3. provides that unit investment trusts are not liable for any fees incurred during fiscal year 1990 (July 1, 1989 through June 30, 1990) and that if a trust paid the \$300 annual renewal fee during that period, such will be refunded. However, it is my understanding that an amendment will be introduced to the bill that requires a unit trust to apply for the refund of the \$300 annual renewal fee. The bill is scheduled to be considered by the Corporations, Insurance and Banking Committee of the Virginia House of Delegates on Tuesday, January 31, 1990 at 10:00 a.m. The Chairman of the Corporations Commission has also agreed to administratively reinstate registration statements of the trusts that have been withdrawn since July 1, 1989 without payment of any additional fees. We will keep you informed of further developments. Patricia Louie Assistant General Counsel Attachment

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