

The House Committee on Banks and Banking offers the following substitute to HB 934:

A BILL TO BE ENTITLED
AN ACT

1 To amend Titles 7, 10, and 45 of the Official Code of Georgia Annotated, relating to banking
2 and finance, commerce and trade, and public officers and employees, respectively, so as to
3 transfer the regulation of securities and commodities from the Secretary of State to the
4 Department of Banking and Finance; to provide for an advisory board; to provide for
5 conformity; to provide for an effective date; to repeal conflicting laws; and for other
6 purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Title 7 of the Official Code of Georgia Annotated, relating to banking and finance, is
10 amended in Chapter 1, relating to financial institutions, by adding a new article to read as
11 follows:

12 "ARTICLE 15

13 7-1-1140.

14 (a) The powers, functions, duties, and obligations of the Secretary of State as they exist
15 on June 30, 2026, with regard to securities regulation pursuant to Chapter 5 and
16 commodities regulation pursuant to Chapter 5A of Title 10, are transferred to the
17 department effective July 1, 2026.

18 (b) On and after July 1, 2026, the department shall regulate securities and commodities in
19 Georgia and may coordinate with the Secretary of State for access to and maintenance of
20 records related to securities and commodities regulation for the department to fulfill its
21 duties.

22 (c) On and after July 1, 2026, any ongoing securities and commodities investigations with
23 the office of the Secretary of State shall immediately transfer to the department.

24 7-1-1141.

25 (a) The commissioner shall appoint an advisory board, consisting of up to 12 members.
26 Of such members, at least one member shall have securities regulation experience and at
27 least one member shall have commodities regulation experience. The remaining members
28 shall have such qualifications as the commissioner may determine. The members of the
29 advisory board shall serve at the pleasure of the commissioner.

30 (b) The role of the advisory board shall be to provide ongoing advisement and consultation
31 to the commissioner with respect to the duties required pursuant to this article and
32 Chapters 5 and 5A of Title 10. The function of the board shall be advisory only.

33 7-1-1142.

34 The commissioner is authorized and directed to promulgate such rules and regulations as
35 necessary to implement the provisions of this article.

36 7-1-1143.

37 (a) The department shall succeed to all rules, regulations, policies, and administrative
38 orders of the Secretary of State that are in effect on June 30, 2026, or are set to go into
39 effect on or after July 1, 2026, and which relate to the functions transferred to the
40 department pursuant to subsection (a) of Code Section 7-1-1140 and shall further succeed
41 to any rights, privileges, entitlements, obligations, and duties of the Secretary of State that
42 are in effect on June 30, 2026, and which relate to the functions transferred to the
43 department pursuant to subsection (a) of Code Section 7-1-1140. Such rules, regulations,
44 policies, procedures, and administrative orders shall remain in effect until amended,
45 repealed, superseded, or nullified by the department by proper authority or otherwise
46 provided by law.

47 (b) The rights, privileges, entitlements, and duties of parties to contracts, leases,
48 agreements, and other transactions entered into before July 1, 2026, by the Secretary of
49 State which relate to the functions transferred to the department pursuant to subsection (a)
50 of Code Section 7-1-1140 shall continue to exist; and none of these rights, privileges,
51 entitlements, and duties are impaired or diminished by reason of the transfer of the
52 functions to the department. In all such instances, the department shall be substituted for
53 the Secretary of State and the department shall succeed to the rights and duties under such
54 contracts, leases, agreements, and other transactions.

55 (c) All persons employed by the Secretary of State in capacities which relate to the
56 functions transferred to the department pursuant to subsection (a) of Code Section 7-1-1140
57 on June 30, 2026, shall, on July 1, 2026, become employees of the department in similar
58 capacities, as determined by the commissioner. Such employees shall be subject to the
59 employment practices and policies of the department on and after July 1, 2026, but the
60 compensation and benefits of such transferred employees shall not be reduced as a result
61 of such transfer. Employees who are subject to the rules of the State Personnel Board and
62 who are transferred to the department shall retain all existing rights under such rules.

63 Accrued annual and sick leave possessed by the transferred employees on June 30, 2026,
64 shall be retained by such employees as employees of the department.

65 (d) On July 1, 2026, the department shall receive custody of the state owned real property
66 in the custody of the Secretary of State on June 30, 2026, and which pertains to the
67 functions transferred to the department pursuant to subsection (a) of Code
68 Section 7-1-1140."

69 **SECTION 2.**

70 Title 10 of the Official Code of Georgia Annotated, relating to commerce and trade, is
71 amended in Chapter 5, relating to Georgia uniform securities, by revising paragraph (6) of
72 Code Section 10-5-2, relating to definitions, as follows:

73 "(6) 'Commissioner' means the ~~Secretary of State of Georgia~~ commissioner of banking
74 and finance."

75 **SECTION 3.**

76 Said title is further amended in said chapter by revising subsection (a) of Code
77 Section 10-5-70, relating to administration of chapter, commissioner of securities, and
78 authority, as follows:

79 "(a) The administration of this chapter shall be vested in the ~~Secretary of State~~
80 commissioner of banking and finance, who is designated as the Commissioner of
81 Securities."

82 **SECTION 4.**

83 Said title is further amended in Chapter 5A, relating to commodities and commodity
84 contracts and options, by revising subsection (a) of Code Section 10-5A-24, relating to
85 Commissioner of Securities, employees, compensation and expenses, assistant commissioner,
86 prohibited use of information, and confidential information, as follows:

87 "(a) This chapter shall be administered by the ~~office of the Secretary of State~~ commissioner
88 of banking and finance, who is designated as the Commissioner of Securities."

89 **SECTION 5.**

90 Title 45 of the Official Code of Georgia Annotated, relating to public officers and employees,
91 is amended in Chapter 13, relating to Secretary of State, by revising subsection (a) of Code
92 Section 45-13-26, relating to designation of employees as agents to accept service of process,
93 powers of designees, and fees for acceptance of process, as follows:

94 "(a) The Secretary of State is authorized to designate one or more of his or her employees
95 as an agent for accepting service of summons or other process under any statute providing
96 for service of summons or other process upon the Secretary of State ~~or the Commissioner~~
97 ~~of Securities~~. Such designation shall be in writing, and all acts relative to such service by
98 any such designee shall be as valid and binding as though performed in person by the
99 Secretary of State ~~or the Commissioner of Securities, as the case may be~~. The power and
100 authority of any such designee shall cease immediately upon such designee's ceasing to be
101 an employee of the Secretary of State."

102 **SECTION 6.**

103 This Act shall become effective on July 1, 2026.

104 **SECTION 7.**

105 All laws and parts of laws in conflict with this Act are repealed.