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**GOVERNMENT CODE - GOV**

**TITLE 1. GENERAL [100 - 7931.000]** ( Title 1 enacted by Stats. 1943, Ch. 134. )

**DIVISION 6. PUBLIC BONDS AND OBLIGATIONS [5000 - 5979]** ( Division 6 enacted by Stats. 1943, Ch. 134. )

**CHAPTER 14.5. Awarding of Contracts [5970 - 5971]** ( Heading of Chapter 14.5 renumbered from Chapter 15 (as renumbered by Stats. 2015, Ch. 303, Sec. 182) by Stats. 2016, Ch. 86, Sec. 149. )

**5970.** As used in this chapter, the following phrases have the following meanings:

- (a) "Person" means any broker, dealer, municipal securities dealer, investment advisor, or investment firm.
- (b) "Regulatory agency" means the Department of Financial Protection and Innovation, the securities administrators or other similar regulatory authority in any other state, the Securities and Exchange Commission, the Financial Industry Regulatory Authority, the Municipal Securities Rulemaking Board, the Commodity Futures Trading Commission, or any other self-regulatory organization.
- (c) "State or local government" means the state, any department, agency, board, commission, or authority of the state, or any city, city and county, county, public district, public corporation, authority, agency, board, commission, or other public entity.

(Amended by Stats. 2022, Ch. 452, Sec. 168. (SB 1498) Effective January 1, 2023.)

**5971.** In selecting any person to provide underwriting services, including financial, advisory or other financial services, involving the issuance of securities, the state or the legislative body of any local governmental entity may consider, among other things, prior conduct of the person, or any employee of the person, including, but not limited to, acts constituting fraud or a violation of state or federal securities law and that resulted in the issuance by, or on behalf of, a governmental regulatory agency of a cease and desist order, a preliminary injunction that has not been dissolved by court order or replaced by a permanent injunction or a permanent injunction, censure, or any other administrative or judicial enforcement order.

(Added by Stats. 1996, Ch. 309, Sec. 1. Effective January 1, 1997.)