

Bond Case Briefs

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REGULATORY - GEORGIA

Georgia Republican Party v. Securities and Exchange Commission

United States Court of Appeals, Eleventh Circuit - April 26, 2018 - 888 F.3d 1198

State political parties filed petition for review of Securities and Exchange Commission (SEC) rule governing political contributions of Financial Industry Regulatory Authority (FINRA) members who solicited government officials for investment advisory services contracts.

The Court of Appeals held that:

- One party lacked standing to seek judicial review of rule, and
- Eleventh Circuit was improper venue for other parties' petition.

State political party failed to establish injury in fact as result of Securities and Exchange Commission's (SEC) adoption of rule prohibiting placement agents from engaging in distribution or solicitation activities for compensation with government entity on behalf of investment adviser that provides or is seeking to provide investment advisory services to such government entity within two years after contribution to official of government entity, and thus lacked standing to seek judicial review of rule, despite party's contention that rule inhibited its ability to fundraise, forced it to divert resources, and harmed its members, where party did not identify anyone who wished to contribute to it but would not because of rule, provide support for its assertion that it would have to divert resources, or identify any specific member who would be injured by rule.

Eleventh Circuit was improper venue for state political parties' petition challenging Securities and Exchange Commission (SEC) rule governing political contributions of Financial Industry Regulatory Authority (FINRA) members who solicited government officials for investment advisory services contracts, thus warranting transfer to appropriate circuits, where parties did not reside or have principal places of business within circuit, and parties could not refile their petitions in proper venues due to fact that filing period had expired.