

Senate Banking and Insurance Committee Confirmation Hearing

Vince Gastgeb – Nominee for the Pennsylvania Securities Commission

Good Morning Chairman White, Chairman Stack and members of the Banking & Insurance Committee. Thank you for considering my nomination to the Pennsylvania Securities Commission.

My name is Vince Gastgeb. I reside in Bethel Park, PA (outside of Pittsburgh), with my wife and 3 of my 4 children. My oldest son is a Police Officer in suburban Allegheny County and I have a college age son and 2 daughters in High School.

Since my nomination by Governor Corbett and over the past few months, I have had the opportunity to have individual meetings with most of your colleagues. The meetings have been a great experience for me with an excellent exchange of dialogue, ideas and substantive discussions.

I believe I have a blend of strong private and public experience that will be beneficial to the position of Securities Commissioner. I have amassed significant experience in dealing with the public as a business professional, public official and volunteer.

In my profession and within my duties as a public official, I believe I am recognized as somebody with a high degree of professionalism and integrity in all that I do.

Securities Commission

The primary duty of the Securities Commission is to regulate the sale of securities, securities products and the securities industry.

The Commission is responsible for protecting Pennsylvania residents against fraud and abuse so that they do not fall victim to malicious practices regarding sales and purchases. Additionally, there is the education and awareness component – also a very important role for the Commission.

The Commission licenses brokers-dealers, securities agents, investment advisors – 175,000 + licenses.

It also collaborates with law enforcement officials (Attorney General and US Attorney) and the Federal Securities and Exchange Commission.

It has statutory enforcement and compliance authority – and issues cease and desist orders.

Statutory violations can result in investigation, administrative and civil proceedings.

The Commission also encourages the growth of good businesses by monitoring the generation of capital.

It accomplishes this mission with a staff of about 74 and a budget of less than \$8 million.

Proposed Merger of the Commission with the Banking Department – We do not have the specifics on the proposed merger at this point. However, it is my understanding that the 3 Commissioners will continue to have an important role in the protection of consumers doing business with the securities industry operating in the Commonwealth.

General Comment – the Pennsylvania Securities Commission is a professional organization that has performed well in its mission of consumer protection, education, awareness, licensing and enforcement. It also encourages a positive business environment for many in the investment community. The affiliation with and membership in national organizations and partnerships with other states allows best practices to be explored and enacted within these disciplines. I am a proponent of an open dialogue with the General Assembly that will hopefully increase communication on securities issues for our residents.

I am truly honored and humbled to have been nominated by the Governor for this position and for the experience of the confirmation process with the Senate. I can commit to you my utmost effort, responsiveness and dedication to continue the work and mission of the Pennsylvania Securities Commission and to hopefully help foster an environment that results in a strong, effective and efficient securities regulator.