



126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 1266

H.P. 905

House of Representatives, March 28, 2013

**An Act To Provide the Securities Administrator with the Power To
Investigate Potential Violations Involving the Sale of Business
Opportunities**

Submitted by the Department of Professional and Financial Regulation pursuant to Joint Rule 204.

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative FITZPATRICK of Houlton.
Cosponsored by Senator CUSHING of Penobscot and
Representative: BECK of Waterville.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 32 MRSA §4699-A** is enacted to read:

3 **§4699-A. Investigatory powers of Securities Administrator**

4 **1. Investigations.** The Securities Administrator may conduct investigations, within
5 or outside the State, as the Securities Administrator finds necessary or appropriate to:

6 A. Determine whether a person has violated, or is about to violate, a provision of this
7 chapter or a rule or order of the Securities Administrator; or

8 B. Aid in enforcement of this chapter.

9 **2. Publication.** The Securities Administrator may publish information concerning a
10 violation of this chapter or a rule or order of the Securities Administrator.

11 **3. Power of Securities Administrator.** For purposes of an investigation or
12 proceeding under this chapter, the Securities Administrator or an officer designated by
13 the Securities Administrator may administer oaths and affirmations, subpoena witnesses,
14 compel the attendance of witnesses, take evidence and require the production of any
15 books, papers, correspondence, memoranda, agreements or other documents or records
16 that the Securities Administrator or officer considers relevant or material to the
17 investigation or proceeding.

18 **4. Court order.** If a person does not give testimony or produce the documents
19 required by the Securities Administrator or an officer designated by the Securities
20 Administrator pursuant to an administrative subpoena, the Securities Administrator or
21 designated officer may apply for a court order compelling compliance with the subpoena
22 or the giving of the required testimony. The request for order of compliance may be
23 addressed to either:

24 A. The Superior Court located in Kennebec County or the Superior Court where
25 service may be obtained on a person refusing to testify or produce the documents
26 required by the Securities Administrator, if the person is within the State; or

27 B. The appropriate court of the state having jurisdiction over the person refusing to
28 testify or produce the documents required by the Securities Administrator, if the
29 person is outside the State.

30 **SUMMARY**

31 This bill provides the Securities Administrator with the explicit authority to
32 investigate potential violations involving the sale of business opportunities in this State.
33 The Securities Administrator is charged with administering the law regarding the
34 regulation of the sale of business opportunities. The authority provided in this bill is
35 similar to the investigative authority conferred on the Securities Administrator to
36 investigate violations of the Maine Commodity Code.