MAINE STATE LEGISLATURE

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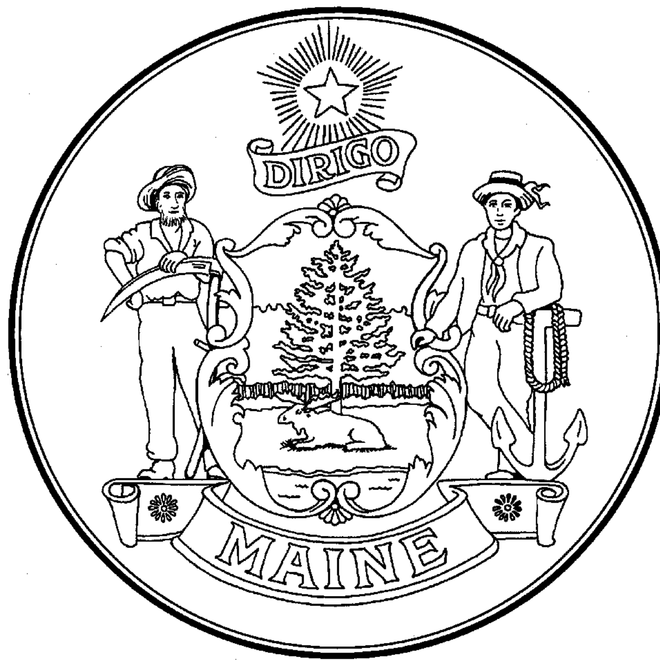

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STATE OF MAINE

REPORT

OF THE

ATTORNEY-GENERAL

FOR THE TWO YEARS ENDING

NOVEMBER 30, 1914.

WATERVILLE
SENTINEL PUBLISHING COMPANY
1915

timber and grass privileges is of no importance. The situation, as I view it, results in the owners of sporting camps located in public lots being trespassers, the Land Agent having no authority to grant them leases or permits. Of course, the Land Agent can treat them as trespassers and make such settlement with them as he deems wise in behalf of this State until the legislature shall have rectified this condition. As I understand it, it has now become a matter of considerable importance to the State to obtain this revenue from these public lots. The rights of the timber and grass owners as against the owners of the camps is a private matter between them, and probably would be simply a question of damages, if any, suffered by the owner of the timber and grass rights, who has simply the right to enter upon the land for the purpose of cutting and removing the timber and grass and no right to the soil.

Very sincerely,

SCOTT WILSON,

Attorney General.

BLUE SKY LAW.—WHAT CONSTITUTES "DEALER IN SECURITIES."

4th February, 1914.

Hon. H. M. Smith, Bank Commissioner, Augusta, Maine.

DEAR SIR: In relation to Chapter 209 of the Public Laws of 1913 and what constitutes a "dealer in securities" under this act, I have given the matter some consideration and would suggest the following rule for your guidance.

That a dealer shall include every individual, partnership, association or corporation *engaged* in the business of selling or offering for sale securities whether its own or those of other individuals or partnerships or corporations unless done through a registered dealer or salesman. By the express terms of the statute this does not apply to personal investments, or changing of investments, or where a corporation sells its stock to its own stockholders or members. Neither do I think it was intended to include every sale of stock by a corporation to per-

sons outside of its own stockholders, as for instance; where an individual desires to invest money in a certain corporation and take part in its management, or the stock is transferred in the organization or re-organization, of a corporation. But if any corporation in order to sell its stock takes the same course that the regular dealer in securities usually takes, namely; advertising, sending out of circulars, or salesmen or its own officials in order to dispose of its stock to the public wherever it may, my view would be that a corporation was then "engaged" in selling and offering for sale securities within the meaning of this law and would require a license. It seems to me that it is a question of whether they are "engaging" in the selling or offering for sale of securities that determine whether they come within the class.

Very sincerely,

SCOTT WILSON,

Attorney General.

SAVINGS BANKS.—INVESTMENT IN BONDS OF CORPORATION OPERATING RAILROAD AND OTHER PUBLIC UTILITIES.

4th February, 1914.

Hon. H. M. Smith, Bank Commissioner, Augusta, Maine.

DEAR SIR: In relation to the interpretation of Section 23 of the Banking Laws relating to the investments of Savings Banks, and sub-paragraph under the third paragraph of Section 23 in relation to railroad bonds, it seems to me that where a company is engaged, not only in operating a railroad, but also in the operation of other public utilities, the company must show not only that its main business is the operation of a railroad, but also that an amount equal to its bonded indebtedness together with an additional amount equal to 33 1-3% of such indebtedness is invested in that part of its property devoted to the railroad business; unless, of course, it comes in under the provision in relation to the payment of dividends. And in this matter, I am of the opinion that it would require dividends of