MAINE STATE LEGISLATURE

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1 2	(EMERGENCY) (New Draft of H.P. 1420, L.D. 1865)
3 4	SECOND REGULAR SESSION
5 6	ONE HUNDRED AND ELEVENTH LEGISLATURE
7 8	Legislative Document No. 2157
9 10	H.P. 1634 House of Representatives, March 2, 1983
11 12	Reported by Representative Martin from the Committee on Business Legislation and printed under Joint Rules 2. Original bill presented by Representative Stevens of Bangor. Cosponsored by Senator Charette of Androscoggin, Representative Murray of Bangor and Representative Perkins of Brooksville.
10	EDWIN H. PERT, Clerk
13 14 15	STATE OF MAINE
16 17 18	IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-FOUR
19 20 21	AN ACT Providing for the Terminiation of Stale or Abandoned Securities Registrations.
22 23 24	Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and
25 26 27 28 29 30	Whereas, no provision currently exists in the Maine Securities Act whereby the Securities Division of the Bureau of Banking may deny registration of securities when an incomplete application has been pending for a substantial period of time with no action taken to complete it; and
31 32 33 34 35	Whereas, a growing backlog of incomplete and presumably abandoned applications for registration of securities currently exists which threatens the orderly operation of the Securities Division of the Bureau of Banking; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

32 MRSA §872, as amended by PL 1981, c. 448, §20, is further amended by adding before the last paragraph a new paragraph to read:

The Bank Superintendent may issue an order of abandonment with respect to the application for registration of a security after an application to register a security has been filed and has been in a pending status for 90 days or more following initial filing or following the date of the filing of the last amendment to the application, and the applicant has taken no action to complete or to amend further the application. At least 14 days prior to the issuance of such an order of abandonment, the Bank Superintendent shall notify the applicant of his intention to issue such an order if the applicant takes no action to complete the application by a date specified in the notice. Any application for registration of a security which is subject to such an order of abandonment will be treated as if the application for registration has been denied.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

STATEMENT OF FACT

This new draft changes the nature of the action to be taken by the Bank Superintendent from a denial to the issuance of an order of abandonment while preserving the effect of such action as if registration of the securities had been denied. This new draft requires the Bank Superintendent to notify an applicant of his intention to issue an order of abandon-

ment at least 14 days prior to the contemplated issuance. It gives the applicant an opportunity to complete the application and thereby avoid issuance of the order.

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