

MAINE STATE LEGISLATURE

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SECOND REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 1997

S.P. 738 In Senate, January 7, 1988
Submitted by the Department of Professional and Financial
Regulation pursuant to Joint Rule 24.

Reference to the Committee on Business and Insurance
suggested and ordered printed.

JOY J. O'BRIEN, Secretary of the Senate

Presented by Senator COLLINS of Aroostook.

Cosponsored by Representative CURRAN of Westbrook, Senator
THERIAULT of Aroostook, Representative SIMPSON of Casco.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-EIGHT

1 AN ACT to Authorize the Bureau of Banking,
2 Securities Division, to Adopt a
3 Simplified Registration Statement for
4 Limited Public Offerings.
5

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

8 32 MRSA §10404, sub-§5 is enacted to read:

9 5. Simplified statement. For purposes of
10 simplifying the registration statement for smaller
11 offerings and promoting uniformity with other states,

1 the superintendent may adopt, by rule promulgated in
2 accordance with the Maine Administrative Procedure
3 Act, Title 5, chapter 375, a form to be used as the
4 registration statement for securities being registered
5 under this section and sold in offerings in which the
6 aggregate offering price does not exceed the maximum
7 amount specified in the rule. The form need not
8 require all the information included in this section
9 and may require information not included in this
10 section.

11 STATEMENT OF FACT

12 The purpose of this bill is to authorize the
13 Superintendent of Banking to adopt by rule a
14 simplified registration statement and prospectus to be
15 used in comparatively small public offerings of
16 securities. Discussions are currently in progress
17 between the American Bar Association and the North
18 American Securities Administrators' Association to
19 develop such a form which would utilize a question and
20 answer format and which would not require the
21 assistance of sophisticated securities' counsel. The
22 ultimate objective is to make it less expensive for
23 small businesses to raise capital without abandoning
24 certain safeguards necessary to protect investors.

25 If final agreement can be reached on a form, it is
26 likely that it would be adopted by numerous states and
27 would dovetail with a registration exemption at the
28 federal level. Accordingly, this bill will also give
29 the superintendent the discretion necessary to keep
30 the State's procedures compatible with those utilized
31 in other jurisdictions.

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