

## STATE OF MAINE

—  
IN THE YEAR OF OUR LORD  
TWO THOUSAND AND THIRTEEN

—  
H.P. 905 - L.D. 1266

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

**Emergency preamble.** Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

**Whereas,** the Securities Administrator is charged with enforcing the law regulating the sale of business opportunities for the protection of those seeking to start their own businesses in the State; and

**Whereas,** current law clearly provides authority to the Securities Administrator to take administrative enforcement action to curb potential and existing violations of the business opportunities law; and

**Whereas,** the authority of the Securities Administrator to conduct investigations to uncover potential and existing violations is not as clear; and

**Whereas,** this legislation provides the Securities Administrator with explicit authority to conduct investigations of potential and existing violations of the business opportunities law; and

**Whereas,** this legislation will ensure that those persons seeking to start their own businesses in the State are investing in legitimate business opportunities; 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:**

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

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

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

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

B. Aid in enforcement of this chapter.

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

**3. Power of Securities Administrator.** For purposes of an investigation or proceeding under this chapter, the Securities Administrator or the Securities Administrator's designee may administer oaths and affirmations, subpoena witnesses, compel the attendance of witnesses, take evidence and require the production of any books, papers, correspondence, memoranda, agreements or other documents or records that the Securities Administrator or designee considers relevant or material to the investigation or proceeding.

**4. Court order.** If a person does not give testimony or produce the documents required by the Securities Administrator or the Securities Administrator's designee pursuant to an administrative subpoena, the Securities Administrator or designee may apply for a court order compelling compliance with the subpoena or the giving of the required testimony. The request for order of compliance may be addressed to either:

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

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

**Emergency clause.** In view of the emergency cited in the preamble, this legislation takes effect when approved.