

Original Sponsor: Adams

Offered: 4/6/81  
Referred: Rules

1 IN THE HOUSE

BY THE LABOR AND  
COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 325 (L&C) am S

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to orders under the Alaska Securities  
7 Act of 1959."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 45.55.200 is amended to read:

10 Sec. 45.55.200. ORDERS AND INJUNCTIONS. (a) Whenever it appears  
11 to the administrator that a person has engaged or is about to engage in  
12 an act or practice in violation of any provision of this chapter or  
13 rule or order under this chapter, the administrator [HE] may

14 (1) if it is considered [HE CONSIDERS IT] in the public  
15 interest or for the protection of investors, issue an order (A) directing  
16 the person to cease and desist from continuing the act or practice,  
17 (B) directing the person, for a period not to exceed three years, to  
18 file the annual reports, proxies, consents or authorizations, proxy  
19 statements, or other materials relating to proxy solicitations required  
20 under AS 45.55.139 with the administrator for examination and review  
21 10 working days before a distribution to shareholders, and (C) voiding  
22 any proxies obtained by a person required to file under AS 45.55.139,  
23 including their future exercise or actions resulting from their past  
24 exercise, if the proxies were solicited by means of an untrue or mis-  
25 leading statement prohibited under AS 45.55.160 [; PROVIDED THAT REA-  
26 SONABLE NOTICE OF AND AN OPPORTUNITY FOR A HEARING SHALL FIRST BE GIVEN,  
27 EXCEPT THAT THE ADMINISTRATOR MAY ISSUE A TEMPORARY ORDER PENDING THE  
28 HEARING WHICH SHALL REMAIN IN EFFECT UNTIL 10 DAYS AFTER THE HEARING IS  
29 HELD AND WHICH SHALL BECOME FINAL IF THE PERSON TO WHOM NOTICE IS

1 ADDRESSED DOES NOT REQUEST A HEARING WITHIN 15 DAYS AFTER THE RECEIPT OF  
2 NOTICE]; or

3 (2) bring an action in the superior court to enjoin the acts  
4 or practices and to enforce compliance with this chapter or rule or  
5 order under this chapter, and upon a proper showing, the appropriate  
6 remedy shall be granted and a receiver or conservator may be appointed  
7 for the defendant or the defendant's assets; the court may not require  
8 the administrator to post a bond.

9 (b) Before issuing an order under (a)(1) of this section the  
10 administrator shall give reasonable notice of and an opportunity for a  
11 hearing. However, the administrator may issue a temporary order pend-  
12 ing the hearing which order shall remain in effect until 10 days after  
13 the hearing is held and which shall become final if the person to whom  
14 notice is addressed does not request a hearing within 15 days after the  
15 receipt of notice.