

Opinion No. 56-6455

May 31, 1956

BY: RICHARD H. ROBINSON, Attorney General

TO: State Banking Department, Commissioner of Securities, Santa Fe, New Mexico

You have asked the opinion of this office for an interpretation of Section 9 (e) of Chapter 131, Laws 1955. You state that inasmuch as said section provides that a permit to sell mining or oil securities is valid for one year unless revoked for good cause, you ask if this one year provision also applies to permits authorizing the sale of said securities issued before the effective date of Chapter 131, Laws 1955.

You should treat the permits for such securities issued under the prior law as expiring upon the annual date unless the same are renewed, and you would be justified in issuing an order forbidding further sale of such securities on the ground that the permit had expired unless, of course, it had been renewed. This interpretation of the action of the Legislature is placed because of Section 20, Subsection (d), of the Act which reads as follows:

"All securities which are registered pursuant to the provisions of said Chapter 44, Laws of 1921, on the effective date of this Act, if such securities are not exempt under this Act, may be sold as if a notice of intent to sell such securities had been filed with the Commissioner under this Act; and the Commissioner shall have the same powers with respect to such securities that he would have if a notice of intent to sell such securities had been filed with him. All dealers who are duly registered as agents under the said Chapter 44, Laws of 1921, on the effective date of this Act, such registration to expire on the 31st day of December of the year in which this Act becomes effective and to be subject to renewal as provided in this Act."

This office sees no attempt by the Legislature in this Act to legislate retroactively, and the Legislature certainly had the authority to enact this legislation for the protection of the public and to place reasonable restraint upon the sale of securities.

By: Jack A. Smith

Assistant Attorney General