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**SMALL BUSINESS IMPACT STATEMENT FOR THE PROPOSED RULE  
REGARDING FEDERAL “REGULATION A” TIER 2 NOTICE FILINGS AND FEES**

Prepared pursuant to 5 M.R.S. § 8052(5-A)

**1. An identification of the types and estimate of the number of the small businesses subject to the proposed rule.**

This notice filing will be required for issuers of securities that offer and sell securities in Maine under Tier 2 of Regulation A. Under Tier 2, an issuer may raise up to \$50 million and will be subject to periodic federal financial reporting requirements. Regulation A has not been widely used for many years, and the recent changes to Regulation A are designed to make it a more appealing option to issuers. It is difficult to estimate how many offerings under Tier 2 will be filed in Maine, or, of those, how many will be small businesses, as defined by 5 M.R.S. § 8052(5-A). The Office of Securities estimates it will receive fewer than 10 Tier 2 notice filings in the next 12 months, and, of those filings, the Office estimates that zero to one of the issuers will be from Maine.

**2. The projected reporting, record-keeping, and other administrative costs required for compliance with the proposed rule, including the type of professional skills necessary for preparation of the report or record.**

Maine will require a small business that elects to offer securities under Tier 2 of Regulation A to either complete and submit a simple two-page form or to submit a copy of the offering documents the issuer submitted to the Securities and Exchange Commission (SEC), and to pay a \$1,000.00 fee. Small businesses should be able to comply with Maine’s notice filing requirements independently.

**3. A brief statement of the probable impact on affected small businesses.**

Because the proposed rule maintains the same filing fee that a small business would have paid to register a security under Regulation A prior to recent changes in the law, the proposed rule should not have an economic impact on small businesses. The notice filing under this proposed rule is simpler than the registration process previously required of issuers under Regulation A.

**4. A description of any less intrusive or less costly, reasonable alternative methods of achieving the purposes of the proposed rule.**

The notice filing under the proposed rule requires only basic information about the issuer and the offering. Additionally, the proposed rule gives the issuer the option of filing a copy of material already prepared for the SEC in lieu of preparing a separate notice filing. Without this proposed rule, the Office would not be made aware of these offerings in Maine and would have difficulty fulfilling its oversight responsibilities under Regulation A.