

# MAINE STATE LEGISLATURE

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Date: 2/19/26

(Filing No. H- 807)

**HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES**

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
132ND LEGISLATURE  
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1385, L.D. 2072, "An Act to Make Changes to the Laws Governing Financial Institutions and to Eliminate Certain Administrative Fees Paid by Banks and Credit Unions Under the Maine Consumer Credit Code"

Amend the bill in section 12 in subsection 1 in the 5th line (page 3, line 5 in L.D.) by striking out the following: "Notwithstanding section 855, participation" and inserting the following: 'Participation'

Amend the bill by inserting after section 12 the following:

'Sec. 13. 9-B MRSA §855, sub-§1, as repealed and replaced by PL 1985, c. 94, is amended to read:

**1. Limitations.** A credit union may make loans to its members secured by a mortgage on real estate located within this State, subject to the following conditions and limitations.

A. The total liability of any member upon loans within this section shall be is as established in section 854, subsection 1.

B. No A loan made pursuant to this section may not exceed 90% of the appraised value of the property mortgage, as determined by the credit committee. Loans pursuant to this section may be made in an amount not exceeding 100% of the appraised value of the mortgage property if at least the top 20% of the loan is insured by a mortgage guarantee insurer licensed to do business in this State or if the loan is insured or guaranteed by the United States Department of Housing and Urban Development, Federal Housing Administration or any other state or federal agency.

C. The note or other obligation evidencing a first mortgage loan shall must require monthly payment of the interest and principal thereon sufficient to repay the entire loan within a period not exceeding 30 years, except that this provision does not apply to real estate loans insured by the United States Department of Housing and Urban Development, Federal Housing Administration.

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D. The note or other obligation evidencing a loan other than a first mortgage loan ~~shall~~ must require monthly payment of the interest and principal thereon sufficient to repay the entire loan within a period not exceeding 15 years.'

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

**SUMMARY**

This amendment adds a provision to the bill that authorizes a state-chartered credit union to make loans to its members secured by real estate located in other states. Under existing law, loans must be secured by real estate located in Maine.

**FISCAL NOTE REQUIRED**

(See attached)



# 132nd MAINE LEGISLATURE

LD 2072

LR 2812(02)

**An Act to Make Changes to the Laws Governing Financial Institutions and to Eliminate Certain Administrative Fees Paid by Banks and Credit Unions Under the Maine Consumer Credit Code**

**Fiscal Note for Bill as Amended by Committee Amendment "A" (H-807)**  
**Committee: Health Coverage, Insurance and Financial Services**

**Fiscal Note Required: Yes**

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## Fiscal Note

Minor cost increase - Other Special Revenue Funds  
Minor revenue decrease - Other Special Revenue Funds

### Fiscal Detail and Notes

Any additional costs to the Department of Professional and Financial Regulation, Bureau of Financial Institutions, to implement the provisions of this bill can be absorbed within existing budgeted resources. Any revenue loss from eliminating certain administrative fees is expected to be minor and can be absorbed within existing budgeted resources.