

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
ONE HUNDRED AND ELEVENTH LEGISLATURE  
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE ON  
**Business Legislation**

BILL SUMMARY



JULY, 1983

Prepared by:

William E. Saufley, Legislative Counsel  
Business Legislation Committee

Office of Legislative Assistants  
State House, Station 13      Augusta, Maine 04333  
(207) 289-2486

(BANKING, continued)

<u>LD</u>	<u>TITLE</u>	<u>SPONSOR</u>	<u>DISPOSITION</u>
692	AN ACT REQUIRING PRIOR NOTICE FOR CLOSURE OF A DEMAND DEPOSIT ACCOUNT	CURTIS	LV/WD

SUMMARY: Would require 30 days prior notice before closing a demand deposit account due to inactivity or insufficient funds.

776	AN ACT RELATING TO INTER-STATE BANKING	BRODEUR DEXTER	ONTP
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SUMMARY: Repeals the provision allowing interstate banking.

838	AN ACT RELATING TO OWNERSHIP OF STOCK IN MAINE FINANCIAL INSTITUTIONS	(BRANNIGAN) ND of 319	PL 1983,c.55
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SUMMARY: Allows acquisition of more than a 5% interest in financial institutions by other financial institutions, as did original bill (LD 319). Extends similar power to holding companies and reallocates the provisions of the original bill out of the "prohibitions" chapter of the Banking Code.

839	AN ACT TO AMEND THE BANKING CODE REGARDING LOANS TO DIRECTORS OF FINANCIAL INSTITUTIONS	(POULIOT) ND OF 355	PL 1983,c.56
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SUMMARY: Allows thrifts the same powers to make commercial loans to and certain other personal loans to directors as did original bill (LD 355). Also extends to commercial banks similar authority to make personal loans to directors on the basis of marketable securities.

931	AN ACT TO PROVIDE FOR THE SALE OF LIFE INSURANCE BY FINANCIAL INSTITUTIONS	BENOIT CHARETTE MURRAY	LV/WD
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SUMMARY: Allows banks to sell life insurance. Allows set-up of bank life insurance companies and agency banks to sell life insurance through separate departments. Limitation of 5% of surplus of the bank which could be invested in this manner. Would require one licensed life underwriter per bank.