

MAINE STATE LEGISLATURE

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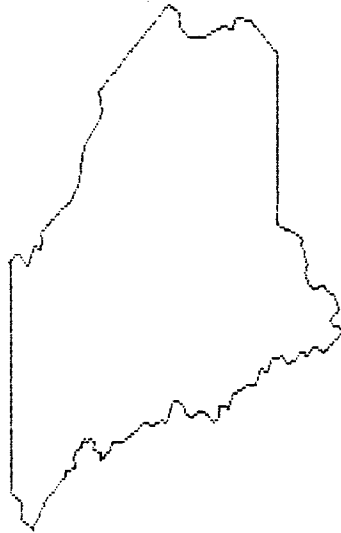


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STATE OF MAINE
ONE HUNDRED AND ELEVENTH LEGISLATURE
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE ON
Business Legislation

BILL SUMMARY



JULY, 1983

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(BANKING, continued)

<u>LD</u>	<u>TITLE</u>	<u>SPONSOR</u>	<u>DISPOSITION</u>
998	AN ACT TO REGULATE INTER-STATE BANK OWNERSHIP	(DBR bill) BRANNIGAN COLLINS GWADOSKY CHARETTE	(OTPA) PL 1983,c.320 (EMERGENCY) Eff.date:5-18-83

SUMMARY: Defines the "net new funds" requirement imposed on foreign banks acquiring control of Maine financial institutions; includes financial institution holding companies; provides \$1000/day fine for violations and for the Superintendent of Banking to have cease and desist powers as a remedy for failure to comply with application and other requirements.

COMMITTEE AMENDMENT "A" (H-175): Adds emergency to bill, corrects reference to "company" to read "companies," and removes reference in enforcement section to remove reference to unsafe and unsound practices.(ADOPTED)

1028	AN ACT TO AMEND THE LINES OF CREDIT AND COMMERCIAL LOANS TO INDIVIDUAL BORROWERS	(DBR bill) RACINE GAUVREAU ERWIN, P	(OTPA) PL 1983, c.251
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SUMMARY: Authorizes lines of credit for thrift institutions, and provides that board approval will not be necessary for amounts below \$10,000.

COMMITTEE AMENDMENT "A" (H-151): Renumbers sections to retain consistency in the Banking Code; changes an erroneous reference to savings bank law in the savings and loan portion of the bill.(ADOPTED)

1029	AN ACT TO PROHIBIT CONTROL OF FINANCIAL INSTITUTIONS AS CLOSELY RELATED ACTIVITIES	(DBR bill) MCCOLLISTER CARROLL, D ANDREWS	(OTPA) PL 1983,c.252 (EMERGENCY) Eff.date:5-10-83
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SUMMARY: Clarifies that acquisition or establishment of control of a Maine financial institution is not a "closely related activity," and so must be supervised and controlled by the Bureau of Banking in accordance with other parts of current law.

COMMITTEE AMENDMENT "A" (H-150): Adds an emergency preamble and emergency clause to the bill.(ADOPTED)