

MAINE STATE LEGISLATURE

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Banking Direct Deposit Accounts
~~9-B~~ 9-B M.R.S.A. 427(2)

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July 26, 1977

Lawrence Burstein, Esquire
Assistant Regional Attorney
Department of Health, Education and Welfare
John F. Kennedy Federal Building
Government Center
Boston, Massachusetts 02203

Dear Mr. Burstein:

I have been asked to reply to your letter of July 15, 1977, concerning the permissible forms of deposit accounts in financial institutions in the State of Maine. We understand that your inquiry is generated by a provision of the Social Security Claims Manual which allows deposit of a beneficiary's surplus funds by his or her representative payee in an interest or dividend bearing account, so long as it is clear from the form of the account that the representative payee has only a fiduciary interest in that account. You have asked whether an account in this form would be permitted under the banking statutes and regulations of the State of Maine.

In answer to your question, please be advised that fiduciary deposits or accounts are not forbidden by Maine banking statutes or regulations. In fact, the existence of such accounts is specifically recognized by 9-B M.R.S.A. § 427(2), a copy of which is enclosed for your information. Therefore, the form for the accounts which you suggested in your letter would not be in violation of Maine law.

Neither the Maine Banking Code (Title 9-B M.R.S.A.) nor the regulations of the Bureau of Banking require any specific form for fiduciary accounts. The form which will be used by any specific financial institution with regard to any particular account is largely at the discretion of the institution and its customer, provided that form does not contain conditions contrary to the Banking Code.

Lawrence Burstein, Esquire

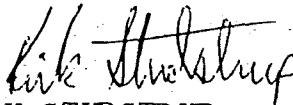
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Therefore, we suggest that the question of whether the account form used by a particular financial institution in Maine would meet the requirements of the Regional Commissioner for Social Security is largely a matter for discussion between the institution and the Commissioner. Since the State does not require any specific form for accounts, we are not in a position to comment on the effect of various forms which may be in use.

If you have any questions with regard to this matter, please contact me at (207)289-3661.

Sincerely,



S. KIRK STUDSTRUP
Assistant Attorney General

SKS:mfe

Enclosure