

# MAINE STATE LEGISLATURE

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ONE - HUNDREDTH LEGISLATURE

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Legislative Document

No. 659

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H. P. 459

House of Representatives, January 24, 1961

Referred to the Committee on Business Legislation, sent up for concurrence and ordered printed.

HARVEY R. PEASE, Clerk

Presented by Mr. Choate of Hallowell.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SIXTY-ONE

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AN ACT Revising Statutes Regulating Branching and Consolidations by Banks.

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Be it enacted by the People of the State of Maine, as follows:

Sec. 1. R. S., c. 59, § 19-C, repealed and replaced. Section 19-C of chapter 59 of the Revised Statutes, as enacted by section 1 of chapter 380 of the public laws of 1955, is repealed and the following enacted in place thereof:

‘Sec. 19-C. Branch offices.

I. Branches. No savings bank shall establish or operate a branch or agency until it shall have received a warrant to do so from the Bank Commissioner, who shall issue such warrant only when satisfied that public convenience and advantage will be promoted thereby. The commissioner may require such notice on an application for a branch or agency as he deems proper. No savings bank shall be permitted to establish or operate a branch or agency except within the county of its main office or a county adjoining that of its main office. This limitation shall not apply to branches or agencies to be established or operated in Knox County. If granted, the commissioner shall issue his warrant in duplicate, one copy to be delivered to the bank and the other to the Secretary of State for record. Within 10 days after opening a branch or agency, the bank shall file with the commissioner a certificate thereof signed by its president or treasurer. The right to open a branch or agency shall lapse at the end of one year from the date of filing the commissioner’s warrant with the Secretary of State, unless it shall have been opened and business actually begun in good faith. An application for permission to open a branch or agency shall not be acted upon until the petitioning bank shall have paid to the Treasurer of State the sum of \$200, to be credited and

used as provided in section 4. This section shall not apply to branches or agencies authorized and in existence on the effective date of this act.

II. Relocation and closing. No branch, agency or main office may be moved to a new location without the prior written consent of the commissioner who shall give such consent if he finds that the proposed move does not create hazardous competitive conditions for existing financial institutions. Any branch or agency may be closed or discontinued with the consent of the commissioner after such public notice, as in his judgment, the public interest may require.'

Sec. 2. R. S., c. 59, § 124, repealed and replaced. Section 124 of chapter 59 of the Revised Statutes is repealed and the following enacted in place thereof:

'Sec. 124. Establishment of branches — No trust company shall establish or operate a branch or agency until it shall have received a warrant to do so from the Bank Commissioner, who shall issue such warrant only when satisfied that public convenience and advantage will be promoted thereby. The commissioner may require such notice on an application for a branch or agency as he deems proper. No trust company shall be permitted to establish or operate a branch or agency except within the county of its main office or a county adjoining that of its main office. This limitation shall not apply to branches or agencies to be established or operated in Knox County. If granted, the commissioner shall issue his warrant in duplicate, one copy to be delivered to the trust company and the other to the Secretary of State for record. Within 10 days after opening a branch or agency, the trust company shall file with the commissioner a certificate thereof signed by its president or treasurer. The right to open a branch or agency shall lapse at the end of one year from the date of filing the commissioner's warrant with the Secretary of State, unless it shall have been opened and business actually begun in good faith. An application for permission to open a branch or agency shall not be acted upon until the petitioning trust company shall have paid to the Treasurer of State the sum of \$200 to be credited and used as provided in section 4. This section shall not apply to branches or agencies authorized and in existence on the effective date of this act.'

Sec. 3. R. S., c. 59, § 124-A, additional. Chapter 59 of the Revised Statutes is amended by adding a new section 124-A, as follows:

'Sec. 124-A. Relocation of branch, agency or main office; closing branch or agency — No branch, agency or main office may be moved to a new location without the prior written consent of the commissioner who shall give such consent if he finds that the proposed move does not create hazardous competitive conditions for existing financial institutions. Any branch or agency may be closed or discontinued with consent of the commissioner after such public notice, as in his judgment, the public interest may require.'

Sec. 4. R. S., c. 59, § 146-A, additional. Chapter 59 of the Revised Statutes is amended by adding a new section 146-A, to read as follows:

'Sec. 146-A. Acquisition of assets, assumption of deposits — Other than by merger as provided for in section 146 and elsewhere, no trust company shall, either directly or indirectly, acquire all or substantially all of the assets of, or

assume liability to pay any deposits of, any other trust company, savings bank or national bank without the prior written consent of the Bank Commissioner who shall give his consent when satisfied that the public convenience and advantage will not be materially impaired by the proposed transaction. The commissioner may require such notice, information and publication as he deems proper.'