

# MAINE STATE LEGISLATURE

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ONE - HUNDRETH LEGISLATURE

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Legislative Document

No. 794

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H. P. 574

House of Representatives, January 25, 1961

Referred to Committee on Business Legislation. Sent up for concurrence and ordered printed.

HARVEY R. PEASE, Clerk

Presented by Mr. Berman of Auburn.

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SIXTY-ONE

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AN ACT Revising the Savings Bank Laws.

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

**Sec. 1. R. S., c. 59, § 19-D, sub-§ II, ¶ G, repealed and replaced.** Paragraph G of subsection II of section 19-D of chapter 59 of the Revised Statutes, as enacted by section 1 of chapter 380 of the public laws of 1955, is repealed and the following enacted in place thereof:

**‘G. To borrow money within or without the State, when in the judgment of the trustees such action is desirable, subject to such limitations on borrowing as may be prescribed by regulation of the Bank Commissioner in accordance with procedure provided in this chapter for making regulations.’**

**Sec. 2. R. S., c. 59, § 19-G, sub-§ I, amended.** The first sentence of subsection I of section 19-G of chapter 59 of the Revised Statutes, as enacted by section 1 of chapter 380 of the public laws of 1955, is repealed and the following enacted in place thereof:

**‘A bank, savings bank or trust company may receive on deposit, for the use and benefit of depositors, all sums of money offered for that purpose, and may classify and differentiate among deposits on such bases as it may determine.’**

**Sec. 3. R. S., c. 59, § 19-G, sub-§ IX, amended.** The first and 5th sentences of subsection IX of section 19-G of chapter 59 of the Revised Statutes, as enacted by section 1 of chapter 380 of the public laws of 1955, are amended to read as follows:

**‘The treasurer of every savings bank shall hereafter on or before the first day of November cause to be published in a newspaper in the place where**

the bank is located, if any, otherwise in a newspaper published in the nearest place thereto, a statement containing the name, the amount standing to his credit, the last known place of residence or post office address, and the fact of death, if known, of every depositor in said bank who shall not have made a deposit therein or withdrawn therefrom any part of his deposit, or any part of the dividends thereon, for a period of more than 20 years next preceding; ~~provided, however, that this.~~ This section shall not apply to the deposits of persons known to the treasurer to be living, to a deposit the deposit book of which has during such period been brought into the bank to be verified or to have the dividends added, or to a deposit which with the accumulations thereon shall be less than ~~\$10~~ \$50.'

'Two years after the date of such publication, all moneys in such inactive accounts shall be deemed presumptively abandoned and shall be paid into the State Treasury and credited to the General Fund for the use of the State, and there shall also be paid into the State Treasury, and so credited at the end of 20 years after the last deposit, all deposits, inactive as aforesaid, which with accumulations thereon shall be less than ~~\$10~~ \$50.'

**Sec. 4. R. S., c. 59, § 19-H, sub-§ ¶¶ A, B and E, repealed and replaced.** Paragraphs A, B and E of subsection I of section 19-H of chapter 59 of the Revised Statutes, as enacted by section 1 of chapter 380 of the public laws of 1955, are repealed and the following enacted in place thereof:

'A. In an amount not exceeding 66 2/3% of the market value of such real estate.'

'B. In an amount not exceeding 75% of such market value, providing the note or other obligation evidencing the loan shall require monthly payment of the interest and principal thereon at a rate of regular amortization sufficient to repay the entire loan within a period not exceeding 25 years, or shall require full payment of such loan within a period of 3 years. No such loan of 3 years or less shall be renewed for any sum in excess of 66 2/3% of the then existing market value.'

'E. No savings bank shall have more than 66 2/3% of its deposits invested in real estate mortgages; except that it may invest up to 80% therein, provided that the excess over 66 2/3% of its deposits is invested in real estate mortgages that are guaranteed or insured by the Federal Housing Administration, or by the Federal Government under sections 500 to 505 of Title III of the Servicemen's Readjustment Act of 1944, as enacted or subsequently amended, or by the Maine Industrial Building Authority.'

**Sec. 5. R. S., c. 59, § 19-J, sub-XI, amended.** Subsection XI of section 19-J of chapter 59 of the Revised Statutes, as enacted by section 1 of chapter 380 of the public laws of 1955, is amended by adding at the end a new sentence, as follows:

'A savings bank may pay a different rate of dividend on different classes or types of deposit, but it shall regulate the dividend in such manner that each depositor shall receive the same ratable portion of dividends as every other depositor of his class.'