

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIRST LEGISLATURE

Legislative Document

No. 1016

S. P. 350

In Senate, February 5, 1963

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

CHESTER T. WINSLOW, Secretary

Presented by Senator Brown of Hancock.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-THREE

AN ACT Revising the Savings and Loan Laws.

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

Sec. 1. R. S., c. 38-B, § 12, amended. Section 12 of chapter 38-B of the Revised Statutes, as enacted by section 1 of chapter 421 of the public laws of 1957, is amended to read as follows:

'Sec. 12. Mortgages eligible for investment. Mortgages insured by the authority of this chapter are made legal investments for all insurance companies, trust companies, banks, investment companies, savings banks, **savings and loan associations**, executors, trustees and other fiduciaries, pension or retirement funds.'

Sec. 2. R. S., c. 59, § 157-P, amended. Section 157-P of chapter 59 of the Revised Statutes, as enacted by section 1 of chapter 198 of the public laws of 1961, is amended to read as follows:

'Sec. 157-P. Membership. The members of an association shall be those in whose names accounts are established, and persons borrowing from or assuming or obligated upon a loan held by an association or purchasing property ~~securing a loan~~ **and assuming the secured loan** held by an association. A joint and survivorship relationship and a successor relationship, whether investors or borrowers, shall constitute a single membership.'

Sec. 3. R. S., c. 59, § 157-Q, repealed and replaced. Section 157-Q of chapter 59 of the Revised Statutes, as enacted by section 1 of chapter 198 of the public laws of 1961, is repealed and the following enacted in place thereof:

'Sec. 157-Q. Shares and accounts. Membership in an association shall be

evidenced by a share certificate, an account book or some other evidence of the account. An association may issue the following types of shares or accounts:

I. Serial shares. Serial shares having an ultimate value of \$200 may be issued quarterly, semiannually or annually, but no share of a prior series shall be issued after the opening of a new series.

II. Full paid income shares or matured shares. Full paid income shares or matured shares may be issued to members whose shares have reached maturity value.

III. Permanent plan monthly installment shares. Permanent plan monthly installment shares may be issued but shall have no maturity.

IV. Prepaid or investment shares. Prepaid or investment shares may be issued in units of \$200 or multiples thereof.

V. Savings shares and accounts. Saving shares and accounts may be issued upon which payments and withdrawals may be made at the option of the members.

VI. Advance payment shares. Advance payment shares which with the addition of dividends will mature them to the value of \$200.'

Sec. 4. R. S., c. 59, § 157-Y, amended. Section 157-Y of chapter 59 of the Revised Statutes, as enacted by section 1 of chapter 198 of the public laws of 1961, is amended to read as follows:

'Sec. 157-Y. Pledge of accounts in joint tenancy. The pledge to ~~any association~~ of all or part of an account in joint tenancy signed by that person or those persons who are authorized in writing to make withdrawals from the account shall, unless the terms of the account provide specifically to the contrary, be a valid pledge and transfer ~~to the association~~ of that part of the account pledged, and shall not operate to sever or terminate the joint and survivorship ownership of all or any part of the account.'

Sec. 5. R. S., c. 59, § 157-Z-16, amended. The first paragraph of section 157-Z-16 of chapter 59 of the Revised Statutes, as enacted by section 1 of chapter 198 of the public laws of 1961, is amended to read as follows:

'No association shall make any of the investments authorized by sections 157-A to 157-Z-36, except those authorized by section 157-Z-12, subsection II, and section 157-Z-14, subsections I and II, if and so long as the sum of its cash on hand and in banks and savings and loan associations and the market value of its investments in obligations of the United States of America is less than 5% of its withdrawable accounts.'