

MAINE STATE LEGISLATURE

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ONE HUNDRED AND THIRD LEGISLATURE

Legislative Document

No. 158

S. P. 77

In Senate, January 18, 1967

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

JERROLD B. SPEERS, Secretary

Presented by Senator MacLeod of Penobscot.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-SEVEN

AN ACT Relating to Sale of Negotiable Checks and Money Orders.

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

R. S., T. 9, § 225, repealed and replaced. Section 225 of Title 9 of the Revised Statutes is repealed and the following enacted in place thereof:

§ 225. Sale of negotiable checks and money orders

Financial institutions as defined by section 222, subsection 4, and national banking associations may engage directly in the business of selling, issuing or registering checks or money orders. No person other than the foregoing shall engage in such business directly or indirectly without first obtaining a certificate from the commissioner. Application for a certificate shall be in writing, under oath and shall be in the form prescribed by the commissioner. The application shall state the name and address of the applicant, the names and business addresses of his agents, other than a financial institution or national banking association, authorized to receive money and transact such business on his behalf. Upon notice from the commissioner the applicant shall file with him a surety bond with such sureties as the commissioner shall approve or deposit with the Treasurer of State, cash or securities in a sum of not less than \$25,000 nor more than \$100,000 as the commissioner shall deem to be necessary for the protection of the public. Any such bond or deposit shall be held as security for the payment of checks or money orders sold by such person or his agents, and the commissioner may make such rules and regulations as may be necessary for the enforcement of this section, including an investigation relative to reputation and integrity, the cost of which investigation shall be chargeable to such person.

Each person to whom a certificate to engage in such business has been issued shall promptly return for cancellation, the certificate issued to him, if he ceases

to do business or the certificate of any agent of his whose authority has been revoked. If the certificate has become lost, destroyed or is otherwise unavailable, an affidavit to this effect shall be submitted in lieu thereof. A certificate shall be issued for each agent at the time of his appointment and he shall not conduct any business without having the certificate prominently on display at his place of business.

There shall be a fee of \$100 for the annual certificate payable to the commissioner and \$3 for each agent listed therein or for any addition thereto, provided that the total annual fee shall not exceed \$300 and such fees shall be credited and used as provided in section 2.

Each certificate shall expire on the last day of December of the year in which issued or for which a fee shall have been paid. Prior to each December 15th there shall be paid to the Bank Commissioner the fee provided in this section, for each certificate to principal or agent for the succeeding calendar year. The applicant shall file with the commissioner substantiation of the renewal or continuance of the bond provided for in this section.

The commissioner may issue a certificate to engage in such business to any person who in his judgment has complied with this section, but he may at any time suspend or revoke such certificate, after notice and hearing, for failure to comply with this section, or of any rule or regulation promulgated by him, or for failure to pay any check or money order upon presentation for payment.

Whoever violates any provision of this section or any rule or regulation established hereunder shall be punished by a fine of not more than \$100 for each day during which such violation continues.