

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FOURTH LEGISLATURE

Legislative Document

No. 1016

H. P. 783

House of Representatives, February 25, 1969

Referred to Committee on State Government. Sent up for concurrence and 1,000 ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Dennett of Kittery.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-NINE

AN ACT to Create the Department of Banking and Insurance.

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

Sec 1. R. S., T. 9-A, additional. The Revised Statutes are amended by adding a new Title 9-A, to read as follows:

TITLE 9-A

BANKING AND INSURANCE

CHAPTER 1

GENERAL PROVISIONS

§ 1. Department of Banking and Insurance

A Department of Banking and Insurance is created and established. The Commissioner of Banking and Insurance shall be the head of the department and shall be appointed by the Governor with the advice and consent of the Council and shall hold office for 6 years or until his successor is appointed and qualified, and who may be removed from office by the Governor and Council for cause. His office shall be at the State Capitol and he shall engage in no other business or profession. He may administer oaths in the performance of his official duties in any part of the State and at any time. He shall keep a correct account of all his doings and of all fees and moneys received by him by virtue of his office, and pay over the same to the Treasurer of State forthwith. He shall receive an annual salary of not less than \$16,500, nor more than \$19,500 to be determined by the Governor and Council and his actual traveling expenses incurred in the performance of his duties.

The commissioner may employ, subject to the Personnel Law, 2 deputy commissioners and such other directors and employees as the business of the department may require. The commissioner may also employ or engage such expert, professional or other assistance as may be necessary or appropriate to assist in carrying out the functions of his office. The commissioner may, at the expense of the department, train his employees or have them trained in such manner as he deems desirable. All employees of the department shall receive their actual expenses incurred in the performance of official duties. A deputy commissioner designated by the commissioner shall perform the duties of the commissioner whenever the latter shall be absent from the State, or whenever he shall be directed by the commissioner, or whenever there shall be a vacancy in the office of the commissioner or whenever the commissioner shall be incapacitated from illness. In the event of a vacancy in the office of the commissioner, his incapacitating illness or absence from the State at a time when there is no deputy commissioner able to perform the duties of the commissioner, the Governor may designate a special deputy commissioner to perform the duties of the commissioner for a time not exceeding 6 months.

During his term of office the commissioner or any employee of the department shall not be an officer, director, trustee, attorney, stockholder or partner in any financial institution or national bank, federal savings and loan association, or federal or state credit union located in this State or receive, directly or indirectly, any payment or gratuity from any such institution or engage in the negotiation of loans for others with any such institution. This provision shall not prohibit being a depositor, or shareholder in the case of state or federal savings and loan associations or credit unions, on the same terms as are available to the public generally or being indebted, provided that such indebtedness is made known in writing to the commissioner and a record of such indebtedness is retained on file in the department so long as such indebtedness is outstanding.

Sec. 2. R. S., T. 9, § 1, repealed. Section 1 of Title 9 of the Revised Statutes, as amended, is repealed.

Sec. 3. R. S., T. 24, § 51, repealed. Section 51 of Title 24 of the Revised Statutes, as amended, is repealed.

Sec. 4. Amendatory clause. Whenever in the Revised Statutes the words "Bank Commissioner" and "Department of Banks and Banking" appear, they shall mean "Banking and Insurance Commissioner" and "Department of Banking and Insurance."

Whenever in the Revised Statutes, Title 9, the words "commissioner" or "department" appear they shall mean "Commissioner of Banking and Insurance" and "Department of Banking and Insurance."

Sec. 5. Amendatory clause. Whenever in the Revised Statutes the words "Insurance Commissioner" and "Department of Insurance" appear they shall mean "Banking and Insurance Commissioner" and "Department of Banking and Insurance." Whenever in the Revised Statutes, Title 24, the words "commissioner" or "department" appear they shall mean "Commissioner of Banking and Insurance" and "Department of Banking and Insurance."

Sec. 6. Transfer of authority. Whatever rights, powers and duties shall have been vested in, or exercised by any officer, board, commission, department or institution, or any deputy, inspector or subordinate officer thereof, which are by this Act transferred either in whole or in part to a department created by this Act, shall be exercised by the department to which the same are transferred, and not otherwise; and every act done in the exercise of such rights, powers and duties shall have the same legal effect as if done by the former commissioner, officer, board, commission, department, institution, or any deputy, inspector or subordinate officer thereof. Every person and corporation shall be subject to the same obligations and duties and shall have the same rights arising from the exercise of such rights, powers and duties, as if such rights, powers and duties were exercised by the commissioner, officer, board, commission, department or institution, or deputy, inspector or subordinate officer thereof designated in the respective laws which are to be administered by the department created by this Act.

Sec. 7. Transfer of obligations. Every person and corporation shall be subject to the same penalty or penalties, civil or criminal, for failure to perform any obligation or duty or for doing a prohibited act, as if such obligation or duty arose from or such act were prohibited in the exercise of such rights, powers and duties by the commissioner, officer, board, commission, department or institution, or a deputy, inspector or subordinate officer thereof, designated in the respective laws that are to be administered by the department created by this Act. Every officer or employee shall for any offense be subject to the same penalty or penalties, civil or criminal, as are prescribed by law for the same offense committed by any officer or employee whose powers or duties devolve upon him or her in this Act.

Sec. 8. Transfer of records and property. All books, records, papers, documents, property, real and personal, unexpended appropriations, and pending business in any way pertaining to the rights, powers and duties so transferred to or vested in the department created by this Act shall be delivered and transferred to the department succeeding to such rights, powers and duties.

Sec. 9. Reports and notices. Wherever reports or notices are now required to be made or given, or papers or documents furnished, or served, for any reason, to or upon or by any commissioner, officer, board, commission, department, institution or deputy, inspector or subordinate officer thereof, abolished by this Act, the same shall be made, given, furnished or served in the same manner to or upon or by the department upon which are devolved by this Act the rights, powers and duties now exercised or discharged by such commissioner, officer, board, commission, department, institution or deputy, inspector or subordinate officer thereof, and every penalty for failure to do so shall continue in effect.

Sec. 10. Pending actions and proceedings. This Act shall not affect any act done, ratified or confirmed, or any right accrued or established, or any action or act commenced in a civil or criminal cause before this Act takes effect, but such actions and proceedings may be prosecuted by the department having jurisdiction, under this Act, of the subject matter to which such litigation or proceeding pertains.