

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIFTH LEGISLATURE

Legislative Document

No. 941

H. P. 698

House of Representatives, February 18, 1971

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

BERTHA W. JOHNSON, Clerk

Presented by Mr. Simpson of Standish.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-ONE

**AN ACT Repealing Authorization to Savings Banks to Engage in Real
Estate Developments.**

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

Sec. 1. R. S., T. 9, § 582, amended. Section 582 of Title 9 of the Revised Statutes, as enacted by section 18 of chapter 401 of the public laws of 1969, is amended to read as follows:

§ 582. Acquisition

Savings banks may acquire real estate or interest in real estate by mortgage foreclosure or by the acceptance of a deed in lieu of foreclosure, purchase or any other means, and may hold the same for investment purposes and may improve, develop, lease, contract, convey and otherwise deal with the same. ~~Investments pursuant to this chapter shall be restricted to such as promote the development of housing for lower income families under the Housing and Urban Development Act of 1968 and amendments thereto.~~

Sec. 2. R. S., T. 9, § 583, repealed. Section 583 of Title 9 of the Revised Statutes, as enacted by section 18 of chapter 401 of the public laws of 1969, is repealed.

STATEMENT OF FACT

There would be grave danger to the deposits of depositors as well as a basic conflict in interest for savings banks to give up their traditional role as banks and to risk their savings accounts in competition with home builders and real estate brokers in real estate developments.