

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 1221

H. P. 923

House of Representatives, March 1, 1973

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

E. LOUISE LINCOLN, Clerk

Presented by Mr. Perkins of South Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-THREE

AN ACT Revising the Laws Relating to Savings and Loan Associations.

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

Sec. 1. R. S., T. 9, § 1705, amended. The first sentence of section 1705 of Title 9 of the Revised Statutes is amended to read as follows:

If any member shall die leaving in an association shares ~~or~~, accounts ~~or~~ deposits of a value not exceeding ~~\$500~~ \$1,000 and no executor of his will or administrator of his estate has been appointed, the association may pay the balance of his or her shares or accounts to the surviving spouse, next of kin, funeral director or other preferred creditor or creditors who may appear entitled thereto.

Sec. 2. R. S., T. 9, § 1832, sub-§ 1, ¶ D, sub-¶ (3), amended. Subparagraph (3) of paragraph D of subsection 1 of section 1832 of Title 9 of the Revised Statutes is amended to read as follows:

(3) No loan may exceed ~~66 2/3~~ 75% of appraised value.

Sec. 3. R. S., T. 9, § 1832, sub-§ 1, ¶ E, amended. Paragraph E of subsection 1 of section 1832 of Title 9 of the Revised Statutes, as amended by section 4 of chapter 149 of the public laws of 1967, is further amended to read as follows:

E. Loans written under paragraph D, together with loans on properties located more than 100 miles from an association's place of business ~~and loans in excess of \$35,000 or 10% of surplus funds, whichever is larger,~~ shall not in aggregate exceed 20% of total assets.

Sec. 4. R. S., T. 9, § 1832, sub-§ 1, ¶ F, amended. Paragraph F of subsection 1 of section 1832 of Title 9 of the Revised Statutes, as amended by section 4 of chapter 149 of the public laws of 1967, is further amended by adding a new sentence at the end to read as follows:

This section shall not apply to associations whose accounts are insured by the Federal Savings and Loan Insurance Corporation provided the loan requirements of the Federal Home Loan Bank Board are being complied with.

Sec. 5. R. S., T. 9, § 1832, sub-§ 1, ¶ G, amended. Paragraph G of subsection 1 of section 1832 of Title 9 of the Revised Statutes is amended by adding a new sentence at the end to read as follows:

This section shall not apply to associations whose accounts are insured by the Federal Savings and Loan Insurance Corporation provided the loan requirements of the Federal Home Loan Bank Board are being complied with.

Sec. 6. R. S., T. 9, § 1832, sub-§ 4, ¶ A, amended. Paragraph A of subsection 4 of section 1832 of Title 9 of the Revised Statutes, as amended by section 4 of chapter 69 of the public laws of 1965, is further amended to read as follows:

A. To an amount not exceeding ~~\$5,000~~ \$10,000 made for the repairing, equipping, furnishing, altering or improving of any real property or mobile home; that each said loan is evidenced by one or more negotiable notes and that each loan is repayable in regular monthly installments within the period of 10 years;

Sec. 7. R. S., T. 9, § 1834, sub-§ 7, amended. The first sentence of subsection 7 of section 1834 of Title 9 of the Revised Statutes, as enacted by section 9 of chapter 442 of the public laws of 1971, is amended to read as follows:

An association may invest in the capital stock, obligations or other securities of a service corporation, provided that the aggregate of such investments shall not exceed ~~2%~~ 3% of its assets.

STATEMENT OF FACT

The purpose of this bill is to bring state chartered savings and loan associations into line with the authority of federally chartered savings and loan associations.