

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 433

H. P. 334

House of Representatives, February 8, 1979

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

EDWIN H. PERT, Clerk

Presented by Mr. Howe of South Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT to Clarify Certain Provisions of the Banking Laws Relating to Savings Banks.

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

Sec. 1. 9-B MRSA § 327, sub-§ 6, as enacted by PL 1975, c. 500, § 1, is repealed.

Sec. 2. 9-B MRSA § 532, sub-§ 2, 3rd sentence, as enacted by PL 1975, c. 500, § 1, is amended to read:

For reasonable cause, the beginning of amortization may be delayed up to 18 months from the making of an amortized loan **and the amortization period may be extended up to 18 months**; also, for reasonable cause, principal payments in designated portions of the year may be omitted.

Sec. 3. 9-B MRSA § 538, sub-§ 1, ¶ A, as amended by PL 1977, c. 152, § 6, is further amended to read:

A. Loans secured by a pledge of any share account or deposit book or certificate issued by any financial institution located in the United States, or secured by pledge of a life insurance policy or pledge of any listed securities;
and

STATEMENT OF FACT

The following are the purposes of this bill.

The purpose of repealing Title 9-B, section 327, subsection 6, is to make it clear that each savings bank may decide for itself whether terminating a bank employee requires action of the board of trustees or may be accomplished by management without board action.

Section 2 makes it clear that where the amortization of a 30-year loan is delayed at the beginning for 18 months that the 30-year period at the end may also be extended for 18 months.

Section 3 makes it clear that loans may be made on statement savings accounts contrasted with a savings account which is evidenced by a savings passbook.