

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

(EMERGENCY)  
FIRST REGULAR SESSION

---

---

ONE HUNDRED AND TENTH LEGISLATURE

---

---

**Legislative Document**

**No. 1221**

H. P. 998

House of Representatives, March 10, 1981

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

EDWIN H. PERT, Clerk

Presented by Representative Randall of East Machias.

---

---

STATE OF MAINE

---

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

---

**AN ACT to Simplify the Requirements for the Granting of Permission to  
Additional Institutions to Use Established Satellite Facilities.**

---

**Emergency preamble.** Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Maine Revised Statutes, Title 9-B, governing the establishment of satellite facilities by financial institutions, requires amendment if consumers in Maine are to have ready access to advances in electronic banking which were not foreseen at the time the Maine Banking Code was adopted; and

Whereas, the current uncertainty of the statute is significantly delaying the availability, increasing the cost and restricting the scope of these services to Maine consumers; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

**Sec. 1. 9-B MRSA § 131, sub-§ 37, as enacted by PL 1975, c. 500, § 1, is amended to read:**

**37. Service Corporation.** "Service Corporation" means a corporation substantially all the activities of which consist of originating, purchasing, selling and servicing loans and participation interests therein; or clerical, bookkeeping, accounting and statistical or similar functions relating to a financial institution of real estate activities; or management, personnel, marketing or investment counseling related to a financial institution or real estate activities; or **establishing or operating one or more satellite facilities.**

Sec. 2. 9-B MRSA § 144 is enacted to read:

**§ 144. Satellite facilities; hours of operation**

**Any financial institution authorized to do business in this State may provide for the conduct of the business of banking or such other limited functions as it may determine from time to time through one or more satellite facilities without regard to the day of the week or hours of operation of its main office or branches. Any act performed at that facility during the time that its main office is closed shall be presumed to have been performed on the next succeeding business day and no liability or loss of rights of any kind shall result from that delay.**

Sec. 3. 9-B MRSA § 334, sub-§ 1, as enacted by PL 1975, c. 500, § 1, is amended to read:

**1. Superintendent's approval.** A financial institution or a service corporation wholly owned by one or more financial institutions authorized to do business in this State may establish or participate in the establishment of a satellite or off-premise facility, as defined in section 131; provided that no such facility shall be established without prior approval of the superintendent, pursuant to section 336. ~~Such facilities are branches for the purpose of this Title~~

Sec. 4. 9-B MRSA § 334, sub-§ 4, as enacted by PL 1975, c. 500, § 1, is repealed and the following enacted in its place:

**4. Use of established facilities by additional institutions.** Established facilities may be used by additional institutions as follows.

**A.** Any satellite facility established under this chapter shall be made available for use by other financial institutions authorized to do business in this State. Any institution seeking to use or discontinuation of use of a satellite facility established under this chapter or comparable facility established under federal law shall obtain prior approval of the superintendent, pursuant to paragraphs B and C for that use or discontinuation; and provided further that any institution receiving permission to use the facility shall share in the cost thereof.

**B.** Approval to participate in the use of a satellite facility or comparable facility established under federal law shall be requested by the institution by filing an application with the superintendent in such form and manner and containing such information as the superintendent may require. The superintendent is authorized to develop an application process which permits the filing of an application with a fee to be supplemented in the event of a

hearing under section 252, by a more detailed filing with an additional fee. A single application may be filed by more than one institution seeking approval with respect to the same facility or facilities, and a single application may be filed covering more than one facility. Except as otherwise provided section 336, subsection 3, shall govern the establishment, credit and use of fees for application.

C. The superintendent shall approve or disapprove an application for the use or discontinuation of use of an established facility in accordance with the requirements of section 252, and the superintendent may condition approval of the application, as necessary, to conform with the criteria as set forth in section 253, or in the event there is no hearing under section 252, those criteria set forth in section 253 to the extent the superintendent deems that criteria relevant.

Sec. 5. 17 MRSA § 3204, 2nd ¶, as amended by PL 1977, c. 284, § 3, is further amended to read:

This section shall not apply to: The operation or maintenance of common, contract and private carriers; taxicabs; airplanes; newspapers; radio and television stations; hotels, motels, rooming houses, tourist and trailer camps; restaurants; garages and motor vehicle service stations; retail monument dealers; automatic laundries; machines that vend anything of value, including, but not limited to, a product, money or service; **a satellite facility approved by the Superintendent of the Bureau of Banking under Title 9-B; or comparable facility approved by the appropriate federal authority;** pharmacies; greenhouses; seasonal stands engaged in sale of farm produce, dairy products, sea food or Christmas trees; public utilities; industries normally kept in continuous operations; including, but not limited to pulp and paper plants and textile plants; processing plants handling agricultural produce or products of the sea; ship chandleries; marinas; establishments primarily selling boats, boating equipment, sporting equipment, souvenirs and novelties; motion picture theatres; public dancing; sports and athletic events; bowling alleys; displaying or exploding fireworks, under Title 8, chapter 9; musical concerts; religious, educational, scientific or philosophical lectures; scenic, historic, recreational and amusement facilities; real estate brokers and real estate salesmen; mobile home brokers and mobile home salesmen; provided that this section shall not exempt the businesses or facilities specified in sections 3205, 3206 and 3207 from closing in any municipality until the requirements of those sections have been met; stores wherein no more than 5 persons, including the proprietor, are employed in the usual and regular conduct of business; stores which have no more than 5,000 square feet of interior customer selling space, excluding back room storage, office and processing space.

**Emergency clause.** In view of the emergency cited in the preamble, this Act shall take effect when approved.

## STATEMENT OF FACT

This bill reflects advances in electronic banking which could not be fully foreseen at the time the current banking statute was adopted in 1975. It is to the advantage of consumers that so-called satellite facilities, being established to accept deposits and cash checks in nonbank locations such as supermarkets, be able to process transactions with several banks. The statute presently permits that result, but only after significant administrative burden, treating each bank as opening its own branch at each location and requiring a comprehensive application for each instance. This bill seeks to simplify the procedure for approving the use by additional banks of established satellite facilities thereby avoiding duplicative filings and unnecessary paperwork and expense. The initial establishment of a satellite facility will continue to be subject to existing requirements for establishment of a branch as governed by either state or federal law.