

MAINE STATE LEGISLATURE

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1 SECOND REGULAR SESSION
2

3 ONE HUNDRED AND TENTH LEGISLATURE
4

5 **Legislative Document**

No. 1793

7 H. P. 1808 House of Representatives, January 12, 1982
8 Submitted by the Department of Business Regulation pursuant to
9 Joint Rule 24.

On Motion of Representative Brannigan of Portland referred to the
Committee on Business Legislation and ordered printed.

EDWIN H. PERT, Clerk

10 Presented by Representative Mitchell of Vassalboro.

Cosponsors: Senator Trafton of Androscoggin and Senator Sutton
of Oxford.

12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-TWO
16

17 **AN ACT to Provide Emergency Powers to the Superintendent**
18 **of the Bureau of Banking to Expedite Mergers and**
19 **Consolidations of Financially Troubled State-chartered**
20 **Financial Institutions.**
21

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

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

26 Whereas, the Revised Statutes, Title 9-B, governing
27 mergers and consolidations of state-chartered financial
28 institutions require procedures which are time consuming and
29 costly and the expediency by which some mergers should be
30 accomplished was not foreseen at the time the Maine Banking
31 Code was adopted; and

1 tal base at some financial institutions. Mergers are a
2 principal regulatory tool that can be helpful in preserving
3 the assets of a troubled institution and continuing service
4 to its customers. The current process for merging, pursuant
5 to the Maine Banking Code, normally takes 6 months to imple-
6 ment. In some emergency situations it is necessary to merge
7 more expeditiously in order to preserve the remaining assets
8 and provide uninterrupted service to the public. This bill
9 provides the Bureau of Banking with the authority to approve
10 mergers in a more expeditious manner.