

MAINE STATE LEGISLATURE

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(New Draft of S.P. 105 L.D. 278)
FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 1208

S.P. 388

In Senate, April 10, 1987

Reported by Senator Bustin of Kennebec for the Committee on Banking and Insurance and printed under Joint Rule 2. Original Bill sponsored by Senator Clark of Cumberland. Cosponsored by: Senator Dow of Kennebec, Representative Rydell of Brunswick, Representative Bott of Orono.

JOY J. O'BRIEN, Secretary of the Senate

STATE OF MAINE

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

1 AN ACT to Amend the Bank Holding Company Law.
2

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

5 Sec. 1. 9-B MRSA §1013, sub-§2, as amended by PL
6 1983, c. 597, §2, is further amended to read:

7 2. Acquisition by out-of-state company. A
8 non-Maine financial institution holding company or a
9 company which will become a financial institution
10 holding company as a result of that acquisition or
11 establishment may establish or acquire control of one
12 or more Maine financial institutions or Maine finan-
13 cial institution holding companies with the prior ap-
14 proval of the superintendent.

1 Sec. 2. 9-B MRSA §1014, sub-§1, as enacted by PL
2 1975, c. 500, §1, is amended to read:

3 1. Permissible activities. A Maine financial in-
4 stitution holding company shall not engage in any ac-
5 tivity other than managing or controlling financial
6 institutions, except such activities as are deemed
7 permissible by the superintendent. The superintend-
8 ent shall ~~promulgate regulations~~ adopt rules specify-
9 ing which other activities that are permissible under
10 either the Bank Holding Company Act of 1956 or sec-
11 tion 408 of the National Housing Act shall be permis-
12 sible for Maine financial institution holding
13 companies activities are permissible. Except to the
14 extent that certain activities are prohibited or lim-
15 ited by state law, these rules shall authorize activ-
16 ities which are no more restrictive than those per-
17 mitted under the United States Bank Holding Company
18 Act of 1956, Public Law 511, or the United States Na-
19 tional Housing Act, Public Law 479, Section 408. Such
20 regulations Those rules may establish different per-
21 missible activities dependent upon the type of finan-
22 cial institutions controlled by a Maine financial in-
23 stitution holding company. The superintendent shall
24 establish procedures for applications by individual
25 companies for approval to engage in such those activ-
26 ities in Maine.

27 Sec. 3. 9-B MRSA §1015, sub-§2, as amended by PL
28 1983, c. 302, §5, is further amended to read:

29 2. Criteria for approval. Applications for ap-
30 provals required in subsection 1 shall be filed pur-
31 suant to procedures established by the superintend-
32 ent. Action on such those applications shall be
33 taken in accordance with the requirements of section
34 252 and shall be subject to the standards set forth
35 in section 253. An application filed by a non-Maine
36 financial institution holding company for the acqui-
37 sition or establishment of a Maine financial institu-
38 tion or Maine financial institution holding company
39 is subject to the additional requirement that the su-
40 perintendent find that the proposal would bring net
41 new funds into the State. An application by a Maine
42 financial institution holding company to acquire or
43 establish an out-of-state financial institution or
44 financial institution holding company is subject to

1 Section 4 is amended to specify which debt in-
2 struments are affected.

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