

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 831

H.P. 580

House of Representatives, February 26, 1991

Reference to the Committee on Banking and Insurance suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

Presented by Representative HOLT of Bath.

Cosponsored by Representative KILKELLY of Wiscasset, Representative RICHARDSON of Portland and Senator THERIAULT of Aroostook.

STATE OF MAINE

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

An Act to Promote Choice for Bank Customers.

(EMERGENCY)



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

Whereas, the banking industry is undergoing a fast-paced
change in Maine, resulting in bank mergers, consolidations,
conversions and acquisitions that change the banks with which
Maine citizens do business and negate the freedom of choice of
which bank to use; 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:

9-B MRSA §357, sub-§5 is enacted to read:

5. Depositors' rights. Depositors have the following rights:

A. Prior to a merger, consolidation, conversion or
acquisition, a depositor of the participating or converting
institution may transfer all accounts to another branch of
the institution without penalty.

B. Thirty days prior to a merger, consolidation, conversion
or acquisition, the participating or converting institution
must send notice to each depositor of the right to transfer
accounts provided in paragraph A.

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

STATEMENT OF FACT

This bill gives depositors the right to move their accounts
without penalty to another branch of the same institution before
their bank merges, consolidates, converts or is acquired. The
bill requires the bank to give depositors 30 days' notice of this
right.