

MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

SECOND REGULAR SESSION-1993

Legislative Document

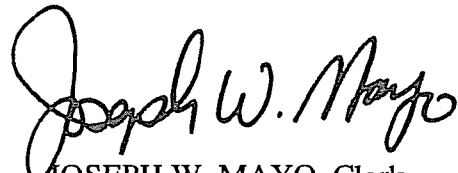
No. 1569

H.P. 1178

House of Representatives, December 16, 1993

An Act to Amend the Maine Banking Code to Clarify the Definition of Limited-time and Seasonal Branches and to Provide a Definition of In-school Branches.

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26. Received by the Clerk of the House on December 14, 1993. Referred to the Committee on Banking and Insurance and 1200 ordered printed pursuant to Joint Rule 14.


JOSEPH W. MAYO, Clerk

Presented by Representative ERWIN of Rumford.
Cosponsored by Representatives: KUTASI of Bridgton, PINEAU of Jay, Senator:
McCORMICK of Kennebec.

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

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4 Sec. 1. 9-B MRSA §131, sub-§22-A is enacted to read:

6 22-A. In-school branch. "In-school branch" means a branch
8 office of a financial institution established pursuant to this
10 Title and located on the premises of a school, not including a
12 college or university, that is authorized to be open for the
14 transaction of limited business only for specified hours or for
16 specified days when a school is in session.

18 Sec. 2. 9-B MRSA §131, sub-§24, as enacted by PL 1975, c. 500,
20 §1, is amended to read:

22 24. Limited-time branch. "Limited-time branch" means a
24 branch office of a financial institution established pursuant to
26 this Title which is authorized to be open for the transaction of
28 business ~~only for specified hours or for specified~~ less than 5
30 business days during a week, which periods shall be excluding
32 Saturday and Sunday, or less than the 5 hours which the main
34 office of a full-time branch office of the institution is opened
36 day.

38 Sec. 3. 9-B MRSA §333, as enacted by PL 1975, c. 500, §1, is
40 amended to read:

42 §333. Limited-time, in-school or seasonal branch offices

44 1. Directors' approval. A financial institution may
46 transact all or any part of its business in a limited-time,
48 in-school or seasonal branch office, as defined in section 131,
50 if the board of directors decides accordingly.

 2. Superintendent's approval. No financial institution
shall establish a limited-time, in-school or seasonal branch
office without prior approval of the superintendent, such
approval to be obtained pursuant to section 336.

 3. Limited-time or seasonal branch offices. A limited-time
or seasonal branch office of a financial institution shall not be
established in any ~~location~~ community served by a full-time
branch office of such ~~financial institution, or of~~ another
financial institution ~~of the same type or within the primary~~
~~service area of a full-time branch office of another financial~~
~~institution of the same type;~~ provided that the existence of a
limited-time or seasonal branch office shall not preclude the
establishment of a full-time branch office in the same area, nor
shall the establishment of such full-time office preclude the
continuing operation of a previously established limited-time or
seasonal branch office. Notwithstanding this subsection, a

2 limited-time branch may be established and operated by a
3 financial institution in a community that is served by a
4 full-time branch of the same financial institution or another
5 financial institution as long as the establishing financial
6 institution maintains a full-time branch in the community.

7 3-A. In-school branch offices. An in-school branch office
8 of a financial institution may be established to provide limited
9 services to students, faculty or employees of a school but not to
10 the public.

11 **4. Conversion to different type office.** A limited-time or
12 seasonal branch office may become a full-time branch office with
13 the prior approval of the superintendent pursuant to section 336.
14 A full-time branch office may become a limited-time or seasonal
15 branch office with the prior approval of the superintendent
16 pursuant to section 336; provided that the conditions set forth
17 in subsection 3 shall be applicable to such change in the type of
18 branch office.

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22 **STATEMENT OF FACT**
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25 This bill makes several changes to the Maine Banking Code to
26 clarify the establishment of limited-time branches, which are
27 those that may be operated for specific hours or days during the
28 week; such branches are usually operated in areas of high tourist
29 traffic that have substantial seasonal changes in population.
30 The bill defines in-school branches and clarifies the law
31 regarding the establishment of in-school branches, which
32 primarily serve as an educational tool and are limited both in
33 scope of services offered and the community to be served.
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39 This document has not yet been reviewed to determine the
40 need for cross-reference, stylistic and other technical
41 amendments to conform existing law to current drafting standards.
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