

# MAINE STATE LEGISLATURE

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BANKING AND INSURANCE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
118TH LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 1319, L.D. 1869, Bill, "An Act to Create a Universal Bank Charter"

Amend the bill by inserting after the title and before the enacting clause the following:

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

Whereas, the majority of Maine's banking assets are in state-chartered financial institutions and it is essential to the economy of Maine that its state banking charter be kept competitive, granting Maine financial institutions the powers and flexibility to effectively compete with other federally chartered and state-chartered financial institutions as well as other nonbank providers of financial services; and

Whereas, effective June 1, 1997, nationwide interstate banking and branching will be permitted for federally chartered financial institutions and, as a result, Maine's community banks will be confronted by new interstate competitors; 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,

Further amend the bill in Part A by inserting after section 21 the following:

COMMITTEE AMENDMENT

H. of S.

'Sec. A-22. 9-B MRSA §131, sub-§31-A is enacted to read:

31-A. Real estate-related services. "Real estate-related services" means:

A. Real estate investment and development, pursuant to section 419-A;

B. Maintenance and management of improved real estate;

C. Real estate appraising;

D. Real estate settlement services;

E. Real estate brokerage activities with respect to properties owned by a financial institution authorized to do business in this State, a financial institution holding company, or subsidiaries thereof, regardless of how the property is acquired or for what purpose; or

F. Any real estate-related service authorized by this Title or by rule or order of the superintendent or any real estate-related service authorized for any financial institution chartered by or otherwise subject to the jurisdiction of the Federal Government, pursuant to the authority granted under section 416.'

Further amend the bill in Part I in section 35 in that part designated "~~§446-A.~~" in subsection 1 in paragraph E in the last line (page 65, line 33 in L.D.) by striking out the following: "and"

Further amend the bill in Part I in section 35 in that part designated "~~§446-A.~~" in subsection 1 in paragraph F in the last line (page 65, line 37 in L.D.) by striking out the following: "transaction." and inserting in its place the following: 'transaction; and'

Further amend the bill in Part I in section 35 in that part designated "~~§446-A.~~" in subsection 1 by inserting after paragraph F the following:

'G. The activity is authorized pursuant to this Title or by rule or order of the superintendent.'

Further amend the bill by inserting before the summary the following:

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

R. 4. 6.

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Further amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

Further amend the bill by inserting at the end before the summary the following:

**FISCAL NOTE**

The authorization of assessment fees for non-depository trust companies may increase dedicated revenues collected by the Bureau of Banking. The amounts collected will depend on the number of such entities which are chartered in the State; there are none at the present time. Any new charters will result in an equivalent increase in dedicated expenditures by the bureau.

The Bureau of Banking will experience relatively minor offsetting increases in collections of dedicated revenues from fees for preliminary work on charter applications. These revenue increases will be offset by equivalent revenue losses from the repeal of certain application fees.

The Bureau of Banking within the Department of Professional and Financial Regulation will incur some minor additional costs to administer the new requirements for universal bank charters and to adopt certain rules. These costs can be absorbed within the bureau's existing budgeted resources.

This bill may increase prosecutions for Class E crimes. If a jail sentence is imposed, the additional costs to the counties are estimated to be \$83.78 per day per prisoner. These costs are not reimbursed by the State. The number of prosecutions that may result in a jail sentence and the resulting costs to the county jail system are expected to be insignificant.

The additional workload and administrative costs associated with the minimal number of new cases filed in the court system can be absorbed within the budgeted resources of the Judicial Department. The collection of additional fines may increase General Fund revenue by minor amounts.

This bill may also increase the number of civil suits filed in the court system. The additional workload and administrative costs associated with the minimal number of new cases filed can be absorbed within the budgeted resources of the Judicial Department. The collection of additional filing fees may also increase General Fund revenue by minor amounts.'

R. of S. 2

SUMMARY

4 This amendment clarifies which real estate services  
6 activities in which financial institutions authorized to do  
business in this State may engage.