

MAINE STATE LEGISLATURE

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L.D. 2259

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DATE: 2/1/2000

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BANKING AND INSURANCE

Reported by:

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**STATE OF MAINE
SENATE
119TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 861, L.D. 2259, Bill, "An Act to Amend the Maine Banking Code Pertaining to Interlocking Directors"

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, current law prohibits directors from serving on the boards of more than one financial institution in order to lessen the possibility of a monopoly or diminished competition resulting from the influence of common directors; and

Whereas, the enactment of universal bank charter legislation in Public Law 1997, chapter 398 created 3 new limited purpose or specialty banks that do not compete with traditional financial institutions and credit unions; and

Whereas, Public Law 1997, chapter 398 did not address the prohibition on interlocking directors for limited purpose banks; and

Whereas, this legislation allows the Superintendent of Banking to waive the prohibition on interlocking directors in situations involving financial institutions and credit unions and limited purpose banks; and

COMMITTEE AMENDMENT "A" to S.P. 861, L.D. 2259

2 **Whereas,** in the judgment of the Legislature, these facts
 4 create an emergency within the meaning of the Constitution of
 6 Maine and require the following legislation as immediately
 8 necessary for the preservation of the public peace, health and
 10 safety; now, therefore,'

12 Further amend the bill in section 2 in subsection 4 by
 14 inserting at the end the following: 'The superintendent may
 16 withdraw a waiver granted under this subsection upon reasonable
 18 written notice to the affected party.'

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

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

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

32 **'FISCAL NOTE**

34 The Bureau of Banking within the Department of Professional
 36 and Financial Regulation will incur some minor additional costs
 to grant certain waivers. These costs can be absorbed within the
 bureau's existing budgeted resources.'

SUMMARY

This amendment clarifies that any waiver granted by the
 Superintendent of Banking may be withdrawn upon reasonable
 written notice to the affected party.

This amendment also adds an emergency preamble, emergency
 clause and a fiscal note to the bill.