

MAINE STATE LEGISLATURE

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INSURANCE AND FINANCIAL SERVICES

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
124TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 985, L.D. 1409, Bill, "An Act To Make Technical and Supervisory Amendments to the Laws Governing Banking and Consumer Credit"

Amend the bill by inserting after section 4 the following:

'Sec. 5. 9-B MRSA §363-A, sub-§9-A is enacted to read:

9-A. Directors not liable. The members of the board of directors of a financial institution may not be liable to the financial institution's shareholders or creditors for acquiescing in or consenting in good faith to the appointment of a conservator for that financial institution or requiring the financial institution to be acquired by a financial institution holding company or to combine with another financial institution, if grounds exist for appointing a conservator for the financial institution.

Sec. 6. 9-B MRSA §365, sub-§12 is enacted to read:

12. Directors not liable. The members of the board of directors of a financial institution may not be liable to the financial institution's shareholders or creditors for acquiescing in or consenting in good faith to the appointment of a receiver for that financial institution or requiring the financial institution to be acquired by a financial institution holding company or to combine with another financial institution, if grounds exist for appointing a receiver for the financial institution.'

Amend the bill in section 5 in §369 in subsection 2 in the first line (page 5, line 14 in L.D.) by striking out the following: "A" and inserting the following: 'Except when the Federal Deposit Insurance Corporation is appointed receiver and conducts a receivership under federal law, a'

Amend the bill by striking out all of sections 6 to 9.

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

COMMITTEE AMENDMENT

SUMMARY

1
2 This amendment does the following.

3 1. It removes the sections of the bill that proposed changes to the law regarding the
4 permissible activities of state-chartered banks and credit unions under existing federal
5 parity law.

6 2. It removes the section in the bill authorizing credit unions to compensate members
7 of their boards of directors.

8 3. It clarifies that members of boards of directors of financial institutions are not
9 liable to shareholders or creditors for consenting in good faith to the appointment of a
10 receiver or conservator for a financial institution or to the acquisition by or combination
11 with a financial institution holding company if grounds exist.

FISCAL NOTE REQUIRED
(See attached)



124th MAINE LEGISLATURE

LD 1409

LR 517(02)

An Act To Make Technical and Supervisory Amendments to the Laws Governing Banking and Consumer Credit

Fiscal Note for Bill as Amended by Committee Amendment "A"
Committee: Insurance and Financial Services
Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - Other Special revenue Funds

Fiscal Detail and Notes

Additional costs to the Bureau of Financial Institutions in the Department of Professional and Financial Regulation are expected to be minor and can be absorbed utilizing existing budgeted resources.