

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND NINETEENTH LEGISLATURE

FIRST REGULAR SESSION
December 2, 1998 to June 19, 1999

THE GENERAL EFFECTIVE DATE FOR
FIRST REGULAR SESSION
NON-EMERGENCY LAWS IS
SEPTEMBER 18, 1999

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

J.S. McCarthy Company
Augusta, Maine
1999

Whereas, this legislation would amend Maine law so that Maine's Superintendent of Banking may waive certain requirements that predate these changes to Maine's banking code; and

Whereas, without this legislation Maine-based lenders would continue to see loan business move to out-of-state financial organizations; 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:

Sec. 1. 9-B MRSA §439-A, sub-§2, as amended by PL 1997, c. 398, Pt. I, §25, is further amended to read:

2. Limitations. A financial institution subject to this Title or a service corporation established pursuant to section 445 may not make loans or extensions of credit outstanding at one time to a person in excess of 20% of its total capital. ~~Total~~ Except as provided in paragraph A, total loans or other extensions of credit in excess of 10% of total capital must be approved by a majority of the governing body or the executive committee of that institution or corporation. Any loan made in violation of this section is subject to the remedies prescribed in section 465-A.

A. The superintendent may grant a partial or full waiver of the voting requirement for loans or other extensions of credit in excess of 10% of total capital for good cause shown. In granting this waiver, the superintendent shall consider capital, management and resources of the financial institution or other relevant factors as determined by the superintendent.

B. Any waiver granted pursuant to paragraph A may be withdrawn by the superintendent upon written notice to the financial institution.

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

Effective May 17, 1999.

CHAPTER 206

S.P. 349 - L.D. 1053

An Act to Clarify the Laws Relating to Nonstate-funded School

Construction Projects Approved by the Commissioner of Education that Replace Existing School Buildings

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

Sec. 1. 20-A MRSA §1407, sub-§1, as amended by PL 1983, c. 364, §5, is further amended to read:

1. Vote; cost of election. An elementary school in a member municipality of a school administrative district may not be closed pursuant to section 4102, subsection 3 unless the voters in the member town vote on the following article in accordance with the procedure set forth in sections 1351 to 1354.

"Article : Shall the board of directors of School Administrative District No. be authorized to close ?

(name of school)

Yes No "

(The election ~~shall~~ must be conducted only within that member municipality, and the costs of the election ~~shall be~~ are borne by the district.)

Sec. 2. 20-A MRSA §1751, sub-§5, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

5. Closing elementary school. If a community school district includes elementary grades, the closing of an elementary school in a member municipality ~~shall~~ pursuant to section 4102, subsection 3 must follow the procedures established in section 1407 for closing an elementary school in a member municipality in a school administrative district.

Sec. 3. 20-A MRSA §4102, sub-§1, as enacted by PL 1983, c. 422, §17, is amended to read:

1. Replaced by new building. The school building has been replaced by other school buildings as part of a school construction project ~~which that~~ state board or the commissioner in accordance with chapter 609.

See title page for effective date.

CHAPTER 207

S.P. 715 - L.D. 2037

An Act to Revise the Lienholder Notification Law