

# MAINE STATE LEGISLATURE

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**STATE OF MAINE  
119TH LEGISLATURE**

**FIRST REGULAR SESSION**

**BILL SUMMARIES  
JOINT STANDING COMMITTEE  
ON  
BANKING AND INSURANCE**

**JULY 1999**

**MEMBERS:**

*Sen. Lloyd P. LaFountain III, Chair*

*Sen. Neria R. Douglass.*

*Sen. I. Joel Abromson*

*Rep. Jane W. Saxl, Chair*

*Rep. Christopher P. O'Neil*

*Rep. Joseph C. Perry*

*Rep. Benjamin F. Dudley*

*Rep. John G. Richardson, Jr.*

*Rep. Nancy B. Sullivan.*

*Rep. Arthur F. Mayo III*

*Rep. Sumner A. Jones, Jr.*

*Rep. Kevin J. Glynn*

*Rep. Robert W. Nutting*

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**ONE HUNDRED NINETEENTH LEGISLATURE**  
**FIRST REGULAR SESSION**

**Summary Of Legislation Before The Joint Standing and Select Committees**  
**August 1999**

We are pleased to provide this summary of all bills that were considered by the Joint Standing and Select Committees of the Maine Legislature this past session. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this session for the Legislature and each of its joint standing and select committees.

The document is organized for convenient reference to information on bills considered by the committees. It is organized by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet ([www.state.me.us/legis/opla](http://www.state.me.us/legis/opla)).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

*CARRIED OVER*.....Bill carried over to Second Regular Session  
*CON RES XXX*..... Chapter # of Constitutional Resolution passed by both Houses  
*CONF CMTE UNABLE TO AGREE*.....Committee of Conference unable to agree; bill died  
*DIED BETWEEN BODIES*.....House & Senate disagree; bill died  
*DIED IN CONCURRENCE*..... One body accepts ONTP report; the other indefinitely postpones the bill  
*DIED ON ADJOURNMENT*.....Action incomplete when session ended; bill died  
*EMERGENCY*..... Enacted law takes effect sooner than 90 days  
*ENACTMENT FAILED*..... Bill failed to get vote required for enactment or final passage  
*NOT PROPERLY BEFORE THE BODY*..... Ruled out of order by the presiding officers; bill died  
*INDEF PP*.....Bill Indefinitely Postponed  
*ONTP*..... Ought Not To Pass report accepted  
*OTP ND*..... Committee report Ought To Pass In New Draft  
*OTP ND/NT*..... Committee report Ought To Pass In New Draft/New Title  
*P&S XXX*..... Chapter # of enacted Private & Special Law  
*PUBLIC XXX*..... Chapter # of enacted Public Law  
*RESOLVE XXX*..... Chapter # of finally passed Resolve  
*UNSIGNED*.....Bill held by Governor  
*VETO SUSTAINED*.....Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is September 18, 1999.

to provide consumers who purchase undivided viatical settlement contracts with the same consumer protections provided to the purchasers of other investments in Maine.

Chapter 279 was enacted as an emergency measure effective May 21, 1999.

**LD 1719**

**An Act to Amend the Maine Banking Code Regarding Extensions of Credit**

**PUBLIC 205  
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
ABROMSON SAXL J	OTP	

LD 1719 proposed to authorize the Superintendent of Banking to grant a partial or full waiver to the requirement that a financial institution making loans or extensions of credit in excess of 10% of total capital must be approved by the governing body or executive committee of that institution or corporation.

There is no waiver provision for the prohibition against a financial institution making loans to one person in excess of 20% of its total capital. Also, the waiver may be withdrawn by the superintendent upon written notice to the financial institution.

*Enacted law summary*

Public Law 1999, chapter 205 authorizes the Superintendent of Banking to grant a partial or full waiver to the requirement that a financial institution making loans or extensions of credit in excess of 10% of total capital must be approved by the governing body or executive committee of that institution or corporation.

Chapter 205 was enacted as an emergency measure effective May 17, 1999.

**LD 1732**

**An Act to Prohibit Certain Bank Penalties**

**ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RAND QUINT	ONTP MAJ OTP-AM MIN	

LD 1732 proposed to prohibit financial institutions from imposing fees on customers because balances in customers' savings accounts fall below a set minimum amount.

**Committee Amendment "A" (S-202)** is the minority report of the committee and proposed to replace the bill. The amendment proposed to clarify that the prohibition on charging a fee when a customer's balance in a savings or share account falls below the minimum required balance applies to credit unions as well as banks. The amendment also proposed to add a fiscal note to the bill. Committee Amendment "A" was not adopted.