**An Act To Modify Requirements for Multiple-party Accounts, Limited Purpose Financial Institutions and Mergers**

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

**Sec.** **1. 9-B MRSA §354, sub-§2,** as amended by PL 1997, c. 398, Pt. G, §4, is further amended to read:

**2.** **Resulting investor-owned institution.**  Except as the superintendent may authorize pursuant to section 354‑A, a mutual financial institution may not merge into an investor-owned institution organized under the laws of this State without prior compliance with section 344 and all rules adopted under that section. In accordance with section 1054, subsection 3, paragraph B, a mutual holding company may acquire a state or federal mutual financial institution through merger into a subsidiary universal bank or an interim subsidiary universal bank of the mutual holding company without prior compliance with section 344 and all rules adopted under that section.

**Sec.** **2. 9-B MRSA §427, sub-§13-A,** as enacted by PL 2019, c. 1, §2 and affected by §5, is amended to read:

**13-A.** **Notice on opening certain accounts.**  ~~A signature card or other document~~ ~~establishing a multiple-party account, as defined in~~ ~~Title 18‑C, section 6‑201, must contain~~ ~~a clear and conspicuous printed notice to the depositor that on the depositor's death the~~ ~~balance in the account will belong to the surviving party.~~ At the time a multiple-party account, as defined in Title 18-C, section 6-201, subsection 5, is established or at the time a single-party account is converted to a multiple-party account with a financial institution, the document establishing the account or adding another party must include for each party to the account the question, "Do you intend for the sum remaining upon your death to belong to the surviving party or parties? Yes or No." The question required by this subsection must be answered in writing on the form by each party to the account prior to opening the account. The answer provided on the form required by this subsection does not have any effect on any legal presumption or inference available in any civil or criminal matter.

**Sec.** **3. 9-B MRSA §1054, sub-§3, ¶B,** as amended by PL 2009, c. 228, §15, is further amended to read:

B. Acquire a state or federal mutual financial institution through merger into a subsidiary universal bank or an interim subsidiary universal bank of the mutual holding company;

**Sec.** **4. 9-B MRSA §1212, sub-§1-A** is enacted to read:

**1-A.** **Principal office in State.** Except for a nondepository trust company organized prior to the effective date of this subsection, a nondepository trust company shall locate its principal office in this State, have at least one resident of this State on its governing board and hold at least one of its governing board meetings in this State each year.

**Sec.** **5. 9-B MRSA §1222, sub-§1-A** is enacted to read:

**1-A. Principal offi****ce in State.** Except for a merchant bank organized prior to the effective date of this subsection, a merchant bank shall locate its principal office in this State, have at least one resident of this State on its governing board and hold at least one of its governing board meetings in this State each year.

**Sec.** **6. 9-B MRSA §1232, sub-§1-A** is enacted to read:

**1-A. Principal offi****ce in State.** Except for an uninsured bank organized prior to the effective date of this subsection, an uninsured bank shall locate its principal office in this State, have at least one resident of this State on its governing board and hold at least one of its governing board meetings in this State each year.

**SUMMARY**

This bill requires new nondepository trust companies, merchant banks and uninsured banks organized under the laws of this State to locate their principal offices in this State. It addresses inconsistent language found in the requirement for a signature card or other document establishing a multiple-party account. It authorizes mutual holding companies organized under the laws of this State to acquire by merger a federal mutual financial institution or other state mutual financial institution under certain conditions.