



130th MAINE LEGISLATURE

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Legislative Document

No. 224

H.P. 159

House of Representatives, January 27, 2021

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

Submitted by the Department of Professional and Financial Regulation pursuant to Joint Rule 204.

Received by the Clerk of the House on January 25, 2021. Referred to the Committee on Health Coverage, Insurance and Financial Services pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative TEPLER of Topsham.

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

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

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

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

14 **13-A. Notice on opening certain accounts.** ~~A signature card or other document~~
15 ~~establishing a multiple-party account, as defined in Title 18-C, section 6-201, must contain~~
16 ~~a clear and conspicuous printed notice to the depositor that on the depositor's death the~~
17 ~~balance in the account will belong to the surviving party.~~ At the time a multiple-party
18 account, as defined in Title 18-C, section 6-201, subsection 5, is established or at the time
19 a single-party account is converted to a multiple-party account with a financial institution,
20 the document establishing the account or adding another party must include for each party
21 to the account the question, "Do you intend for the sum remaining upon your death to
22 belong to the surviving party or parties? Yes or No." The question required by this
23 subsection must be answered in writing on the form by each party to the account prior to
24 opening the account. The answer provided on the form required by this subsection does
25 not have any effect on any legal presumption or inference available in any civil or criminal
26 matter.

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

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

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

33 **1-A. Principal office in State.** Except for a nondepository trust company organized
34 prior to the effective date of this subsection, a nondepository trust company shall locate its
35 principal office in this State, have at least one resident of this State on its governing board
36 and hold at least one of its governing board meetings in this State each year.

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

38 **1-A. Principal office in State.** Except for a merchant bank organized prior to the
39 effective date of this subsection, a merchant bank shall locate its principal office in this
40 State, have at least one resident of this State on its governing board and hold at least one of
41 its governing board meetings in this State each year.

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

