



# 131st MAINE LEGISLATURE

## FIRST REGULAR SESSION-2023

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Legislative Document

No. 1460

S.P. 578

In Senate, March 30, 2023

### **An Act to Amend the Laws Governing Certificates of Deposit**

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Reference to the Committee on Health Coverage, Insurance and Financial Services suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT  
Secretary of the Senate

Presented by Senator POULIOT of Kennebec.

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

2 **Sec. 1. 9-B MRSA §430** is enacted to read:

3 **§430. Time deposits**

4 **1. Letter of intent prior to maturity.** Within 90 days prior to the maturity of a time  
5 deposit, the depositor may provide the financial institution holding the deposit with a letter  
6 of intent indicating the depositor's intention as to the disposition of the funds in the time  
7 deposit upon maturity. A letter of intent under this subsection satisfies any requirement of  
8 a depositor to inform the financial institution of the depositor's intent as to the disposition  
9 of the funds in the deposit during any grace period after maturity of the time deposit.

10 **2. Withdrawal in case of emergency or financial hardship.** A depositor may  
11 withdraw funds from a time deposit before maturity without penalty in the case of a bona  
12 fide emergency or financial hardship of the depositor requiring the depositor's access to the  
13 funds.

14 **3. Withdrawal to pay for nursing home or assisted living services.** A depositor may  
15 withdraw funds from a time deposit before maturity without penalty if the depositor is  
16 required to enter a nursing home as defined in Title 22, section 1812-A or assisted housing  
17 program under Title 22, chapter 1664 that charges a fee requiring the depositor's access to  
18 the funds.

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**SUMMARY**

20 This bill allows a depositor of a time deposit, otherwise known as a certificate of  
21 deposit, or CD, to send the financial institution holding the time deposit a letter of intent  
22 within 90 days prior to the maturity of the time deposit indicating the depositor's intentions  
23 as to the disposition of the funds upon maturity. This bill also allows a depositor of a time  
24 deposit to withdraw funds from the time deposit before maturity without penalty in the case  
25 of a bona fide emergency or financial hardship of the depositor or if the depositor is  
26 required to enter a nursing home or assisted housing program that charges a fee.