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An Act To Prohibit Retail Store-operated Banks

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

Sec. 1. 9-B MRSA §920 is enacted to read:

§ 920. Banking activities of an industrial bank owned by a commercial entity prohibited

1. Industrial bank owned by a commercial entity. For purposes of this section, “industrial bank owned by a commercial entity” means an industrial bank or corporation organized under the laws of any state that is insured or regulated by the Federal Deposit Insurance Corporation, engages in one or more banking activities and is owned, directly or indirectly, by a commercial entity or corporation that is not a bank holding company or financial holding company subject to regulation under the federal Bank Holding Company Act of 1956.

2. Banking activities prohibited. Notwithstanding any other provision of law, an industrial bank owned by a commercial entity is prohibited from establishing or maintaining a branch, agency or other office for the purpose of conducting any banking business within this State, whether by de novo charter, branching, acquisition or merger with another institution. This section does not apply to any industrial bank organized under this chapter and authorized to conduct business in this State by the superintendent on or before the effective date of this section.

SUMMARY

This bill prohibits an industrial bank owned directly or indirectly by a commercial entity from establishing or maintaining any branch, agency or other office in this State.