

§422-A. Cash reserves on deposits and accounts

1. Requirement. A financial institution organized under the laws of this State and a credit union organized under the laws of this State shall maintain reserves on deposits or accounts as required from time to time by the Federal Reserve Act, Section 19(b), as amended, and any regulations promulgated under it; except that the amount of reserves shall be 100% of the requirements, notwithstanding the Federal Reserve Act, Section 19(b)(8) of that Act.

[PL 1981, c. 155, §2 (NEW).]

2. Transition period. Reserves held by a financial institution or credit union to meet the requirements of this section must be in the form prescribed by the Federal Reserve Act, Section 19(c), as amended, and any regulations promulgated under it.

A. [PL 1997, c. 398, Pt. I, §14 (RP).]

B. [PL 1997, c. 398, Pt. I, §14 (RP).]

C. [PL 1997, c. 398, Pt. I, §14 (RP).]

D. [PL 1997, c. 398, Pt. I, §14 (RP).]

[PL 1997, c. 398, Pt. I, §14 (AMD).]

3. Assessment for deficiency. Any deficiency in the cash reserve established pursuant to this section may be subject to an assessment for such period of time as the deficiency may exceed 2% of the required reserves. Any such penalty may be assessed at a rate not to exceed 10% per year.

[PL 1981, c. 155, §2 (NEW).]

4. Failure to make up deficiency. If any financial institution or credit union fails to make up a reserve deficiency with a corresponding excess reserve in the reserve computation period immediately following the period in which the deficiency occurred, the superintendent may declare that no loans or investments be made except those loans secured by deposit accounts or investments made in bonds or other obligations issued by the United States or any of its instrumentalities, or issued or guaranteed by this State or issued by any of its instrumentalities, agencies or political subdivisions which is not in default on any of its outstanding funded obligations.

[PL 1981, c. 155, §2 (NEW).]

5. Reports. The superintendent may require any financial institution or credit union to furnish such reports as he deems appropriate to properly supervise compliance with the requirements of this section.

[PL 1981, c. 155, §2 (NEW).]

SECTION HISTORY

PL 1981, c. 155, §2 (NEW). PL 1997, c. 398, §114 (AMD).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the First Regular and First Special Session of the 131st Maine Legislature and is current through November 1, 2023. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.