

*News you can use*

## Capitol Report

### Maine Bankers Association

**Welcome to MBA's Capitol Report.** Our new Capitol Report will be published every other week, providing you with the latest news on both state and federal issues which are being addressed on your behalf by MBA staff. Decades ago, our legacy organization published a Capitol Report to cover both federal and state issues, and it was well received. Over the years, our Legislative Report has narrowed its focus to Maine with primarily a recap of Maine Legislative activities. This new publication will replace the Legislative Report. Thank you for your support and let us know your reaction to our 'new' look.

### **News from Washington (Legislative and Regulatory)**

**SAFE BANKING ACT (S.1200) IN THE US SENATE.** Thirty-three states now permit some form of legal cannabis commerce, but cannabis is still a banned narcotic under federal law. Last year, the House voted overwhelmingly in favor of legislation, the SAFE Banking Act, to change federal law, so that banks may continue to serve their business customers who work with state-licensed cannabis businesses or work directly with cannabis businesses that operate in strict compliance with state law. However, the Senate has yet to act on [S. 1200 Secure and Fair Enforcement \(SAFE\) Banking Act](#), and the bill remains in the Senate Banking Committee. Senator King was an original co-sponsor for S. 1200, and we know that Senator Collins is reviewing this issue. MBA is working closely with our members and our national banking associations to get S. 1200 out of Committee and onto the Senate floor for passage.

**OCC AND FDIC ACCEPTING COMMENTS ON CRA REFORM.** [The OCC and FDIC proposed rule](#) to modernize Community Reinvestment Act regulations was published in the Federal Register, kicking off the proposal's 60-day comment period. Comments will be due to the agencies by March 9. MBA's Compliance Committee has agreed to review this issue to see if members are interested in drafting a comment letter from the Maine Bankers Association.

### **News from Augusta (Legislative and Regulatory)**

**MAINE'S LEGISLATURE IS IN FULL SWING.** The Legislature started the 129th Second Regular Session on January 8th. They will be handling over 400 bills this session. MBA is actively working on several bills including: CPACE ([LD 1748](#)), Public-Private Retirement Savings ([LD 594](#)) comparable to [Oregon Saves](#), trust decanting legislation, several HR bills, data breach bills, estate tax bill and multiple collection and foreclosure bills. We will be highlighting individual bills as the public hearings and work sessions are announced.

**MBA TESTIFIED IN OPPOSITION TO THE CPACE (COMMERCIAL PROPERTY-ASSESSED CLEAN ENERGY) BILL LD 1748.** MBA's opposition testimony echoed [OCC Bulletin 2010-25](#) regarding CPACE loans. MBA supports commercial energy lending when such lending programs observe existing lien preference and ensure prudent underwriting. Unfortunately, LD 1748 takes a superior lien position, and the underwriting requirements in the bill are extremely vague. Click [here](#) for a copy of MBA's testimony on LD 1748.

**GOVERNOR MILLS GIVES HER FIRST STATE OF THE STATE ADDRESS.** The Governor mentioned in her speech that, "Maine's economy is on solid footing and is growing...Revenues are up, our gross domestic product is up, housing starts, construction and auto sales are up; and the state budget continues to have a healthy surplus." Click [here](#) for a full copy of the Governor's Address.

**THE MAINE LEGISLATURE ADOPTED A JOINT RESOLUTION MEMORIALIZING THE UNITED STATES CONGRESS TO PROVIDE ACCESS TO BANKING AND INSURANCE SERVICES TO LEGAL CANNABIS AND CANNABIS-RELATED BUSINESSES ([HP 1440](#)).** The Resolution does highlight the problems facing our industry in servicing legal cannabis and cannabis-related businesses. A copy of the Resolution will be sent to each member of Maine's congressional delegation, as well as President Trump and Speaker Pelosi.

**THE MAINE BUREAU OF FINANCIAL INSTITUTIONS (BoFI) RELEASES THEIR ANNUAL REPORT TO THE LEGISLATURE.** "In 2019, the Bureau provided regulatory supervision to 43 state-chartered financial institutions, including 19 banks, 12 credit unions, 11 nondepository trust companies, and one merchant bank. As of June 30, 2019, assets held by Maine state-chartered institutions supervised by the Bureau totaled approximately \$25.08 billion." Maine state-chartered banks (including limited purpose banks) recorded \$22.79 billion in assets, representing a year-over-year increase of \$1.3 billion, or 5.4%. Maine state-charted credit unions recorded \$2.29 billion in assets, representing a year-over-year increase of \$126.6 million, or 5.8%. Click [here](#) for a copy of the Bureau's Report.

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