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Capitol Report

Maine Bankers Association

April 1, 2021

News from Washington (Legislative & Regulatory)

MBA Joined 50 State Associations Letter to the SBA About 90-Day PPP Forgiveness Window.

Last week, the Alliance (of State Bankers Associations) urged the Small Business Administration to provide clarity about the status of Paycheck Protection Program loans that have surpassed the 90-day period by which SBA is required to provide a decision on whether to forgive the loan, under a January 2021 interim final rule. The group urged the SBA to immediately review all loans that have been in review for more than 90 days. No response to date. See the [letter](#).

MBA and the ABA Support Passage of the Safe Banking Act of 2021 (H.R. 1996/S. 910)

Introduced in Congress. Only Congress can resolve the divide between state and federal law. Without a change in federal law, neither the federal banking agencies nor state governments can remove the legal restrictions on providing banking services to marijuana-related businesses. The Secure and Fair Enforcement (SAFE) Banking Act of 2021 (H.R. 1996/S. 910) would:

- Allow banks to serve cannabis-related businesses in states where the activity is legal;
- Specify that handling proceeds from cannabis-related businesses' legitimate transactions is not money laundering and does not violate any provision of federal law; and
- Require federal banking regulators to provide explicit, clear, and uniform expectations regarding the treatment of all cannabis-related accounts.

The Consumer Financial Protection Bureau (CFPB) Rescinds Policy Statements Granting Temporary Relief for Financial Institutions.

Effective April 1, 2021, the CFPB rescinds seven policy statements issued last year that provided temporary flexibilities to financial institutions on mortgage lending, credit reporting, credit cards, and prepaid cards. Click [here](#) for the CFPB's Notice.

State News

Governor Mills Announced a Change to State's Vaccine Timeline at a Press Conference

Today. "Governor Mills announced today that all Maine residents age 16 and older will be eligible for a COVID-19 vaccine beginning next Wednesday, April 7, 2021. The acceleration of Maine's vaccination timeline by a week and a half comes as Maine is expected to receive a significant

increase in vaccine supply from the Federal government. Vaccination for residents age 16 and older had previously been scheduled to begin on April 19, 2021.” Click [here](#) for a copy of the Governor’s Press Release.

MBA Submits Testimony in Opposition to LD [553](#), *An Act to End At-Will Employment*. MBA joined other business trade associations in opposition to LD 553. Currently, Montana is the only state that has eliminated At-Will Employment. We urged the Committee to vote ought-not-to-pass on LD 553 because employers in Maine are already required to adhere to a specific set of laws when they decide to terminate one of their workers. In addition, the bill as drafted does not adequately address situations when the employer must terminate an employee due to violating federal law or federal and state regulations.

LD [607](#), *An Act to Restore Overtime Protections for Maine Workers*. The bill’s sponsor proposed an amendment at the work session. The amendment replaced the bill. This amendment annually raises the minimum salary that an employee who works in an executive, administrative or professional capacity must earn in order for that employee to be exempt from the laws governing the minimum wage and overtime pay as follows:

1. Until December 31, 2021, the rate is 3,000 times the state minimum wage;
2. Beginning January 1, 2022, the rate is 3,500 times the state minimum wage;
3. Beginning January 1, 2023, the rate is 4,000 times the state minimum wage; and
4. Beginning January 1, 2024, the rate is 4,500 times the state minimum wage.

Since 2009, Maine’s monetary dividing line separating hourly/non-exempt versus salaried/exempt has been tied to changes in Maine’s minimum wage. At that time, the law was amended to create a threshold that is 3,000 times the state’s minimum wage. The federal threshold, which was updated and became effective 1/1/2020, is currently set at \$35,568, Maine’s threshold has climbed to its current level of \$36,450 (12.15 minimum wage x 3000).

Bills of Interest Printed Since Last Report. The bill descriptions include the Maine Office of Policy and Legal Analysis (OPLA) Summary.

General Interest

LD [1142](#) *An Act To Prohibit the Unequal Restriction of Essential Businesses during a State of Civil Emergency*. OPLA SUMMARY: This bill prohibits the Governor from restricting the operation of a private business during a state of emergency unless the Governor restricts all private businesses in the same manner. **MBA COMMENT:** Public Hearing held March 29.

Human Resources

LD [1167](#) *An Act Relating to Fair Chance in Employment*. OPLA SUMMARY: This bill prohibits an employer from requesting criminal history record information on an initial employee application form or stating on an initial employee application form or advertisement or specifying prior to determining a person is otherwise qualified for the position that a person with a criminal history may not apply or will

not be considered for a position. The bill provides exceptions to those prohibitions, including instances in which federal or state law or regulation or rule mandates for a position that a criminal conviction disqualifies an applicant, or imposes an obligation on an employer not to hire an applicant who has been convicted of a certain type of offense, or requires that an employer conduct a criminal history record check. An employer who violates this prohibition is subject to a penalty of not less than \$100 nor more than \$500 for each violation, to be enforced by the Department of Labor. **MBA COMMENT:** Public Hearing scheduled for April 7.

LD 1200 *An Act To Bring Gender Parity to Corporate Boards*. OPLA SUMMARY: This bill requires the board of directors of a publicly held corporation subject to the Maine Business Corporations Act to include at least one female director. The number of female directors required is based on the number of directors on the board. The Secretary of State is required to publish reports about boards of directors and may impose fines on corporations for failing to report information and for failing to have on their boards the minimum number of female directors.

Lending

LD 1119 *An Act To Limit Credit Card Fees by Requiring Monthly Credit Card Billing*. OPLA SUMMARY: This bill requires the issuer of a credit card to bill once per month a holder of a credit card who has a balance due on that credit card. The bill provides that the issuer of a credit card may not bill more than once per month such a holder. The issuer of a credit card that bills such a holder more than 12 times in a calendar year forfeits the balance on that holder's credit card and may not report negative information related to that forfeiture to a credit bureau. **MBA COMMENT:** Public Hearing scheduled for April 7.

LD 1132 *An Act To Encourage the Renovation of Available Housing Stock*. OPLA SUMMARY: The purpose of this bill is to make available more affordable housing by allowing the clearing of title of tax-acquired abandoned property within a year of the acquisition rather than the existing wait of 5 years. This bill also directs the Maine State Housing Authority to develop a program to purchase tax-acquired properties that have been renovated and make them available for rent or for sale to first-time home buyers. **MBA COMMENT:** Public Hearing scheduled for April 14.

Maine COVID-19 Statistics. Members have requested that we provide the current COVID-19 numbers reported by the State with the publication of each Capitol Report.

Total Cases: 50,788

Confirmed Cases: 38,895

Probable Cases: 11,893

Deaths: 744

Hospitalizations: 1,677

Currently Hospitalized: 74

Vaccine Stats

[State of Maine COVID-19 Vaccination Dashboard](#) (updated daily by 10 AM to include the previous day's data)



**COMPLIANCE
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A Division of Bankers Alliance

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Compliance Alliance Feature Question

Question: Bank XYZ has a Phase II Exemption customer that is no longer eligible for the CTR Exemption since they haven't had 5 or more transactions over the CTR threshold in 2020. What do they need to do?

Answer: Bank XYZ would need to start filing CTRs as appropriate and cease treating them as exempt. There is no need to backfile CTRs.

"Customers no longer eligible for exemption"

Question: What should a bank do if, during its annual review of a listed business or Phase II customer, it discovers that the customer no longer meets all the criteria for exemption?

Answer: During the annual review of a Phase II exempt customer, a bank may conclude that a customer is no longer eligible for exemption (for example, if an exempt non-listed business customer conducted only four reportable currency transactions during the year under review). At the time the customer's ineligibility is discovered, the bank should document its determination of ineligibility and cease to treat the customer as exempt. The bank is not required to back file CTRs with respect to a designated Phase II customer that had met the eligibility requirements in a preceding year but was subsequently found to be ineligible during the bank's timely completion of its annual review."

Guidance on Determining Eligibility for Exemption from Currency Transaction Reporting Requirements:

<https://www.fincen.gov/resources/statutes-regulations/guidance/guidance-determining-eligibility-exemption-currency>

Not a member? Learn more about membership with Compliance Alliance by attending one of our live demos:

- [Live Demo on Tuesday, April 6th, @ 11:00 am ET](#)
- [Live Demo on Thursday, April 8th, @ 2:00 pm ET](#)

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