



STATE OF MAINE
OFFICE OF THE GOVERNOR
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AUGUSTA, MAINE
04333-0001

Paul R. LePage
GOVERNOR

13 April 2018

The 128th Legislature of the State of Maine
State House
Augusta, ME

Dear Honorable Members of the 128th Legislature:

Under the authority vested in me by Article IV, Part Third, Section 2 of the Constitution of the State of Maine, I am hereby vetoing LD 968, "An Act to Help Prevent Financial Elder Abuse."

The stated purpose of LD 968 was to remove any doubt or uncertainty about the distribution of account funds upon the death of the original account holder. The bill requires that the document establishing or adding a party to a multiple-party bank or credit-union account include the question, "Do you intend for the sum remaining upon your death to belong to the surviving party or parties? Yes or No." Although I appreciate the original intent of LD 968 to help seniors understand who receives account funds on their death, I cannot support it for two reasons: 1) the bill references an inappropriate type of account for those seniors seeking help managing finances; and 2) its provisions are placed in the wrong location in Maine statutes.

Senior citizens often seek to establish joint bank accounts with another individual so that individual may assist them with paying their bills. They do not necessarily want to create a joint owner with survivorship rights on their account. The language of the bill is unhelpful because it does not facilitate the creation of agency accounts, which would better serve the needs of many seniors.

An agent named by the account holder of an agency account would not own the account funds or have rights to any funds remaining in the account at the account holder's death. The agent would simply serve at the convenience and direction of the account holder. The "multiple-party" account language in LD 968, on the other hand, leaves the senior with only a jointly owned, multiple-party account with, or without, survivorship rights. This is not a helpful account alternative in every case and will not offer seniors the accounts they deserve. Further, the proposed "Yes or No" question will cause confusion in cases where the parties provide different responses.

An agency-account concept should be added to the Maine Probate Code rather than the Maine Banking Code. The Maine Probate Code is the primary source for determining rights in the assets of a deceased individual, and all financial institutions—both state-chartered and nationally chartered—must comply with the provisions of that code. The Maine Banking Code applies only to financial institutions authorized to do business in Maine.

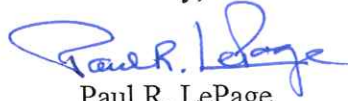


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LD 968 does not assist our senior citizens in the way it was intended. Our seniors need an alternative to multiple-party accounts that would allow them to designate an agent on their accounts.

For these reasons, I return LD 968 unsigned and vetoed. I strongly urge the Legislature to sustain it.

Sincerely,



Paul R. LePage
Governor