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Maine Credit Union League

# 2026 Maine Legislative Session Recap

In the most recent session of the Maine Legislature, the Maine Credit Union League continued to strengthen its role as a trusted and effective advocate for credit unions at the State House. During a busy session with significant policy discussions, the League worked to ensure the credit union perspective was clearly represented and considered in legislative decision-making.

Advocacy is not a one-session effort; it is a continuous commitment. From championing legislation that supports the credit union mission to responding to emerging challenges, the League remained focused on advancing, protecting, and strengthening Maine's credit unions and the members they serve.

## Advocacy in Action

Throughout the session, the League maintained a trusted presence in Augusta, tracking complex and fast-moving legislation, providing testimony before legislative committees, and coordinating advocacy efforts with credit union leaders across the state. Each action was grounded in protecting member interests, promoting fair and balanced regulation, and upholding the cooperative principles that define the credit union movement.

*"Effective advocacy is a collective effort. The input and engagement of credit unions across the state play a critical role in shaping our strategy and strengthening our impact year-round."*

**Elise Baldacci**  
League President

## Session Overview

### Navigating a Complex Legislative Landscape

The 2026 legislative session reinforced the Maine Credit Union League's role as a leading and respected voice on financial services policy in Augusta. Throughout the session, the League worked proactively with lawmakers, regulators, coalition partners, and credit union leaders across the state to advance meaningful priorities, respond to emerging challenges, and protect the interests of Maine's credit unions and their members.

The League's advocacy efforts produced significant results this session. From securing legislative clarification on paper billing statement fees to expanding mortgage lending authority for state-chartered credit unions, the League successfully advanced policies that improve operational flexibility and reduce regulatory uncertainty for credit unions.

At the same time, the League played a key role in reshaping or helping stop proposals that could have introduced unnecessary legal, operational, or compliance burdens. Early engagement, trusted relationships, and sustained advocacy proved critical in addressing issues related to foreclosure procedures, auto lending, data privacy, and emerging technology regulations.

The session, which adjourned April 29, highlighted the value of maintaining a strong, year-round advocacy presence in Augusta and reinforced the importance of continued engagement from credit unions across Maine. Non-emergency legislation will take effect on July 29, 2026. The League will provide relevant regulatory guidance in advance of new laws taking effect.

### Priority Bills and Actions

- **LD 2072, An Act to Make Changes to the Laws Governing Financial Institutions and to Eliminate Certain Administrative Fees Paid by Banks and Credit Unions Under the Maine Consumer Credit Code**, drafted by the Bureau of Financial Institutions, was signed into law by Governor Mills on March 19. The legislation included a League-supported amendment allowing Maine's state-chartered credit unions to originate mortgage loans without geographic restrictions, eliminating the prior prohibition on lending for real estate secured outside of Maine. The new law will take effect on July 29, 2026.
- **LD 2061, An Act to Clarify the Prohibition on Paper Billing Statement Fees**, was passed as an emergency measure and signed into law by Governor Mills on March 19. The law is now in effect and provides much-needed clarity by allowing financial institutions to charge reasonable, disclosed fees for replacement statements, custom date range requests, and other non routine or labor intensive requests. Fees for statements are now only prohibited for monthly or periodic statements.
- **LD 2040, Resolve, to Study Food Insecurity Measures in Maine**, was supported by the League and signed into law on March 19. As enacted, the measure directs the Commissioner of Agriculture, Conservation and Forestry to conduct an in depth study of how food insecurity is measured in Maine and to evaluate the state's progress toward its goal of ending hunger by 2030. Findings and recommendations will be reported to the Legislature in 2027.

- **LD 1444, An Act to Clarify the Application of *Finch v. U.S. Bank, N.A.***, was signed by the Governor after a significant amendment in committee. As introduced, the bill sought to reinstate the “free house” rule in statute following a Maine Supreme Judicial Court decision that rejected the doctrine. The free house rule allowed borrowers to avoid foreclosure entirely—including retention of the property—based on minor technical defects in foreclosure notices, even when the borrower was otherwise in default. The League worked with the bill sponsor and members of the Judiciary Committee to amend the proposal. The final version focused on retroactivity, eliminated the reinstatement of the free house rule, and no longer posed a threat to credit unions. It will take effect on July 29, 2026.
- **LD 2056, An Act to Provide Additional Financing Options to Consumers in the State**, proposed allowing a more “flexible buying” financing structure based on significantly variable payment schedules. After gathering feedback from the Governmental Affairs Committee, the League raised concerns regarding the proposal’s broader lending implications and potential consumer impacts. The bill ultimately failed to become law.
- **LD 1822, An Act to Enact the Maine Online Data Privacy Act**, failed to advance and ultimately died when the House and Senate were unable to agree on a final version of the bill. Despite an exemption for financial institutions, the League opposed the legislation due to concerns shared by the broader business community about compliance challenges stemming from its restrictive data use framework. While the bill did not pass this session, similar proposals may resurface in the future.
- **LD 1587, An Act to Clarify the Bureau of Labor Standards’ Investigatory and Enforcement Procedures**, creates a new notice of levy enforcement mechanism allowing the Bureau of Labor Standards to collect certain unpaid wages and penalties through financial institutions without prior court approval. The League monitored the legislation closely due to its operational implications for credit unions handling levy and garnishment activity. The League will provide compliance guidance to our members before this new law takes effect.
- **LD 2162, An Act to Regulate and Prevent Children’s Access to Artificial Intelligence Chatbots with Human-like Features and Social Artificial Intelligence Companions**, bars artificial intelligence (AI) chatbots or social AI companions with human-like features to be available to minors. Human-like features include conveying emotions or sentience, forming emotional relationships, or impersonating real individuals. The League monitored this bill, recognizing the growing role technology policy may play in future compliance and consumer protection discussions for financial institutions and businesses alike. This bill failed to become law.

## Where We Made the Difference

- Expanded credit union lending authority through targeted legislative engagement
- Clarified regulatory expectations to reduce compliance uncertainty
- Successfully reshaped high-risk legislation to eliminate harmful outcomes for credit unions
- Prevented burdensome proposals from advancing through consistent advocacy and coalition alignment
- Strengthened relationships with regulators and lawmakers across key committees

## 2027 State Advocacy Agenda

Although the 132nd Maine Legislature has adjourned sine die, the League’s advocacy work continues year-round. As we look ahead to 2027, the League will remain focused on strengthening relationships with policymakers, educating lawmakers on the credit union difference, and ensuring that the voice of Maine’s credit unions continues to be heard in Augusta. With 2026 being an election year, a key priority will be building early, meaningful relationships with newly elected legislators who will be shaping policy in the next session.

Sustained engagement, strategic advocacy, and strong collaboration across the credit union movement were the driving forces of the League’s advocacy efforts. The League will continue building on that momentum in the months ahead by monitoring policy developments; identifying emerging issues that may affect credit unions and their members; and preparing thoughtful, proactive priorities for the next legislative session.

While many of the concerns of the next session have yet to reveal themselves, there are several issues anticipated to carry over from this past session. First, data privacy is expected to remain an area of ongoing focus. Although LD 1822 did not advance this year, it sparked significant debate and is likely to return as lawmakers work to balance consumer protections with the needs of Maine businesses that rely on responsible data use.

Foreclosure policy remains an issue to watch. While amendments to LD 1444 addressed many of the League’s concerns, the broader debate is likely to continue, requiring continued engagement if similar proposals arise.

AI and chatbot technologies will continue to be a rapidly evolving policy area. As lawmakers continue to explore

appropriate regulations like the chatbot bill this past session, LD 2162, new bill proposals are expected that could affect how credit unions use these tools to serve their members.

The League also remains actively engaged in ongoing discussions surrounding towing practices and abandoned vehicle laws in Maine. A stakeholder working group met regularly to develop recommendations and discuss operational challenges impacting financial institutions, towing operators, insurers, and consumers. Although the Transportation Committee expressed interest in the group's recommendations, no legislation advanced this session, and stakeholders were encouraged to continue discussions ahead of next session. As a reflection of the importance credit unions place on these issues, eight credit union representatives joined the working group this year to help strengthen and broaden the industry's voice in the conversation.

## Why Your Ongoing Engagement Matters

Advocacy is most effective when it is backed by the voices and experiences of credit unions across Maine. The League serves as your voice in Augusta, but it is your insight, engagement, and local perspective that brings our advocacy to life. When credit unions stay involved,

lawmakers gain a clearer understanding of the important role credit unions play as trusted financial partners in communities statewide.

Here are a few ways your credit union can remain engaged:

- Respond to League action alerts and outreach.
- Participate in League advocacy events and briefings.
- Encourage your colleagues to subscribe to the League's weekly advocacy update, distributed during the legislative session.
- Invite legislators to visit your credit union and see your work firsthand.
- Share member stories and examples that help illustrate the credit union advantage.
- Support ongoing advocacy efforts by contributing to both the state and federal PAC.

One of the best ways to stay connected is by attending the League's Legislative Forum, taking place on September 9 from 8:00 a.m. to 3:00 p.m. Legislative Forum remains the League's signature advocacy event and is an important chance for credit union leaders to hear from policymakers, strengthen relationships, and help shape the League's work for the year ahead.

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# Thank you

for your unwavering support! We appreciate the role you played in making the state legislative session a success.

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## League Advocacy Team



**Elise Baldacci**  
*President*



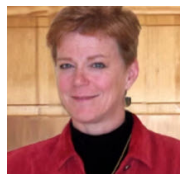
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