

# MAINE STATE LEGISLATURE

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# ACTS AND RESOLVES

AS PASSED BY THE

## One Hundred and First Legislature

OF THE

# STATE OF MAINE

Published by the Director of Legislative Research in accordance with the Revised Statutes of 1954, Chapter 10, Section 27, Subsection VI.

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The Knowlton and McLeary Company  
Farmington, Maine  
1963

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PUBLIC LAWS  
OF THE  
STATE OF MAINE

As Passed by the One Hundred and First Legislature

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Not more than ~~3%~~ 5% of the deposits of a bank shall be invested in securities within the coverage of this subsection.'

**Sec. 11.** R. S., c. 59, § 19-I, sub-§ XXI, amended. Subsection XXI of section 19-I of chapter 59 of the Revised Statutes, as enacted by section 1 of chapter 380 of the public laws of 1955, is amended by adding at the end a new paragraph to read as follows:

'Savings banks, loan and building associations and trust companies organized under this chapter may continue to hold at the discretion of their trustees or directors securities acquired under authorization of law.'

**Sec. 12.** R. S., c. 59, § 19-I, sub-§ XXII, additional. Section 19-I of chapter 59 of the Revised Statutes, as enacted by section 1 of chapter 380 of the public laws of 1955, is amended by adding a new subsection XXII, to read as follows:

'XXII. Bonds of nonprofit organizations. In the bonds or other interest-bearing obligations of any religious, charitable, educational or fraternal association.

Not more than 1% of the deposits of a bank shall be invested in securities coming within the coverage of this subsection.'

**Sec. 13.** R. S., c. 59, § 19-J, sub-§ VI, ¶ C, repealed and replaced. Paragraph C of subsection VI of section 19-J of chapter 59 of the Revised Statutes, as enacted by section 1 of chapter 380 of the public laws of 1955, is repealed and the following enacted in place thereof:

'C. That no dividend may be declared in an amount greater than the income and realized capital gains of the current or immediately preceding dividend period, except that the trustees may create a special reserve and may from time to time allocate thereto income and realized capital gains, and may by express vote use additional funds from such reserve for the purpose of maintaining a current dividend rate.'

Effective September 21, 1963

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## Chapter 163

### AN ACT Relating to Municipal Accounting Systems and Postaudit.

*Be it enacted by the People of the State of Maine, as follows:*

**Sec. 1.** R. S., c. 90-A, § 24, amended. Section 24 of chapter 90-A of the Revised Statutes, as enacted by section 1 of chapter 405 of the public laws of 1957, is amended to read as follows:

'Sec. 24. Uniform accounting system. Each municipality and each quasi-municipal corporation, including but not limited to various types of districts or corporations embracing a portion of a municipality, a single municipality or

several municipalities, not under the jurisdiction of the Public Utilities Commission shall ~~use a uniform accounting system approved by the State Department of Audit~~ keep its accounting records in conformity with generally accepted principles of municipal accounting and that a uniform classification be used for revenue, expenditures and balance sheet accounts.'

**Sec. 2. R. S., c. 90-A, § 40, sub-§ IV, amended.** Subsection IV of section 40 of chapter 90-A of the Revised Statutes, as enacted by section 1 of chapter 405 of the public laws of 1957, is amended to read as follows:

**IV. Postaudit report.** It shall contain the statement that the complete post-audit report for the latest municipal year is on file at the municipal office and the following excerpts from that report:

- A. Name and address of the auditor.
- B. Auditor's comments and suggestions for improving the financial administration.
- C. Comparative balance sheet.
- D. Statement of departmental operations.'

Effective September 21, 1963

## Chapter 164

### AN ACT Prohibiting a General Contractor to Bid Unless Able to Perform Part of Work.

*Be it enacted by the People of the State of Maine, as follows:*

**R. S., c. 15-A, § 26, amended.** Section 26 of chapter 15-A of the Revised Statutes, as enacted by section 1 of chapter 340 of the public laws of 1957 and as amended by section 2 of chapter 234 of the public laws of 1961, is further amended by adding at the end, a new paragraph, as follows:

**'No agency of the State shall enter into any contract for a public improvement, nor shall any of its instrumentalities enter into any contract for buildings or public works, with a general contractor unless the contract shall provide that the prime contractor shall not subcontract more than 80% of the total bid price.'**

Effective September 21, 1963

## Chapter 165

### AN ACT Relating to Instruction in High Schools on American Freedoms.

*Be it enacted by the People of the State of Maine, as follows:*

**R. S., c. 41, § 144-A, amended.** Section 144-A of chapter 41 of the Revised Statutes, as enacted by section 1 of chapter 344 of the public laws of 1955, is amended to read as follows: