

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

STATE OF MAINE

R E P O R T

OF THE

ATTORNEY GENERAL

for the calendar years

1949 - 1950

January 31, 1950

To Frank S. Carpenter, Treasurer of State
Re: Disposition of Income from Reserve in Permanent Trust Funds
Chapter 31, P. L. 1949

I have your memo of December 15, 1949, relating to the restoration to the Permanent Trust Funds of the amounts of losses in savings account balances impounded in closed banks.

The statute above cited provides: "The treasurer of state and the state controller are hereby authorized to apply in partial or full restoration of losses sustained on impounded bank accounts of the 'Permanent Trust Funds,' from profits available from sale of capital assets of said trust funds in such amount and to each specific trust only in an amount equal to the capital gains of each specific trust, and that no capital gains or securities held in any trust fund shall be applied on losses of any other trust fund excepting only when, as and if, a common fund is created."

By Section 2 of said Chapter 31, the legislature appropriated \$42,681.04 to restore the original principal of trust funds to each specific trust where present capital gains are insufficient to offset losses on impounded bank balances, and in such trust funds as had no capital gains.

You state in your memo of December 15th that there is nothing in Chapter 31, P. L. 1949, which instructs you as to the distribution of income earned by the securities in which the reserve funds are invested, and that there is some question in your mind as to whether such income belongs to the reserve funds and should be added to them and become a part of them or whether the income should be distributed as active income to the beneficiaries of the various trust funds involved. You request my opinion as to the proper distribution of such income. You attach a statement of facts concerning the reserve funds.

I have talked this over with the Finance Commissioner and the State Controller, and they agree that income from the reserve funds should be distributed to the beneficiaries of the various trust funds involved. They say that in the absence of any specific instructions in Chapter 31, P. L. 1949, as to the distribution, it would seem that such distribution should be made in the same manner as that provided for the earnings of the trust fund itself.

RALPH W. FARRIS
Attorney General

February 1, 1950

To Norman U. Greenlaw, Commissioner of Institutional Service
Re: Guardianship—Inmates of Institutions

I have your memo of January 30th in which you state that the Augusta office of the Federal Security Agency, Social Security Board, has raised the question of your department's status as guardian over inmates of the various institutions under your supervision as it might relate to beneficiaries under the various phases of Social Security benefits.