

# MAINE STATE LEGISLATURE

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ONE HUNDRED AND SIXTH LEGISLATURE

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Legislative Document

No. 338

H. P. 258

House of Representatives, January 23, 1973

Referred to the Committee on Public Lands. Sent up for concurrence and ordered printed.

E. LOUISE LINCOLN, Clerk

Presented by Mr. Rollins of Dixfield.

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-THREE

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**AN ACT to Clarify the Permanent School Fund.**

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

R. S., T. 20, § 3451, amended. Section 3451 of Title 20 of the Revised Statutes, is amended to read as follows:

**§ 3451. Permanent School Fund**

The Treasurer of State shall keep a separate account of all moneys received from sales of lands appropriated for the support of schools or from notes taken therefor and of any other moneys appropriated for the same purpose. Such sum shall constitute a Permanent School Fund, which ~~may be put at interest~~ shall be invested in such securities as are legal investments for savings banks under Title 9. Such ~~interest~~ income shall accrue to a fund to be allocated to administrative units by the commissioner for the purpose of surveying school systems and developing school plans. Said allocation shall not in any case exceed  $\frac{1}{2}$  of the cost of such surveys or plans.

~~The Treasurer of State and the State Controller are authorized to apply in full restoration of losses sustained on impounded bank accounts of the "Permanent School Fund" from profits available on sale of capital assets of said fund and they are further authorized to set up an account "Reserve against Future Losses" in such amount as is and shall be available from capital gains after restoration of losses on impounded bank accounts, and all future capital gains or losses of this fund shall be charged to this account. All income received from investments of the "Reserve against Future Losses" account shall be distributed in the same manner as the income received from investments of the principal of the fund~~

## STATEMENT OF FACT

The purpose of this bill is to clarify whether or not the losses incurred in the 1930's through bank failures may have or not have been restored.