

MAINE STATE LEGISLATURE

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(EMERGENCY)
New Draft of: H. P. 779, L. D. 1011

ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 1932

H. P. 1503 House of Representatives, May 11, 1973
Reported by Mr. Farnham from the Committee on State Government and
printed under Joint Rules No. 18.

E. LOUISE LINCOLN, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-THREE

AN ACT Relating to Deposit of State Funds.

Emergency preamble. Whereas, Acts of the Legislature do not take effect until 90 days after adjournment unless enacted as emergencies; and

Whereas, there are state funds available for investment for a short term; and

Whereas, this legislation is vitally necessary to permit the State this substantial income on state available funds; and

Whereas, this legislation is vitally necessary to permit the State to invest in repurchase agreements involving treasury securities for a short period of time; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

R. S., T. 5, § 135, amended. The first sentence and the 2nd sentence, as amended by chapter 63 of the public laws of 1969, of the first paragraph of section 135 of Title 5 of the Revised Statutes, are amended to read as follows:

The Treasurer of State may deposit the moneys, including trust funds of the State, in any of the banking institutions or trust companies or mutual savings banks organized under the laws of this State or in any national bank or banks

or state or federal savings and loan associations located therein. When there are excess moneys in the State Treasury which are not needed to meet current obligations he may, with the concurrence of the State Controller or the Commissioner of Finance and Administration and with the consent of the Governor and Council, invest such amounts in bonds, notes, certificates of indebtedness or other obligations of the United States of America which mature not more than 24 months from the date of investment or in repurchase agreements secured by obligations of the United States of America which mature within the succeeding 24 months, or **prime commercial paper**.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

STATEMENT OF FACT

The purpose of this bill is to give the Treasury Department an alternative for investing from day to day excess moneys in the State Treasury, which are not needed to meet current obligations.