

# MAINE STATE LEGISLATURE

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(EMERGENCY)  
FIRST SPECIAL SESSION

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ONE HUNDRED AND SIXTH LEGISLATURE

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**Legislative Document**

**No. 2133**

S. P. 721

In Senate, January 2, 1974

Referred to the Committee on State Government. Sent down for concurrence and ordered printed.

HARRY N. STARBRANCH, Secretary

Presented by Senator Fortier of Oxford.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-FOUR

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**AN ACT Relating to Investment of State Funds and Revenue Sharing Funds  
in Interest Bearing Accounts.**

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

Whereas, the 106th Legislature in regular session enacted public laws 406 and 407 to permit the investment of State funds and revenue sharing funds in interest bearing accounts; and

Whereas, the law should be clarified so that the value of the securities shall be determined on the basis of market value; and

Whereas, they also should be amended to have the depositing institution, if municipal funds, approved by the municipal officers; 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:

**Sec. 1. R. S., T. 5, § 135, amended.** The 5th and 2nd sentences from the end of the 2nd paragraph of section 135 of Title 5 of the Revised Statutes, as enacted by section 3 of chapter 406 of the public laws of 1973, are amended to read as follows:

The value of the securities so pledged shall be determined by the Treasurer of State on the basis of ~~book value, par value or~~ market value ~~whichever is lower.~~

The securities shall be held in ~~the~~ a depository institution **approved by the Treasurer of State** and pledged to indemnify the State of Maine against any loss.

**Sec. 2. R. S., T. 30, § 5051, sub-§ 5, amended.** The 3rd and the 6th sentences of subsection 5 of section 5051 of Title 30 of the Revised Statutes, as enacted by chapter 407 of the public laws of 1973, are amended to read as follows:

The value of the securities so pledged shall be determined by the municipal officers on the basis of ~~book value, par value or~~ market value ~~whichever is lower.~~

The securities shall be held in ~~the~~ a depository institution **approved by the municipal officers** and pledged to indemnify the municipalities against any loss.

**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 clarify the language in chapters 406 and 407 of the public laws of 1973.