

# MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1364

S. P. 449

In Senate, March 22, 1979

On Motion of Senator Katz of Kennebec, reconsidered reference and referred to the Committee on Local and County Government. Sent down for concurrence and ordered printed.

Presented by Senator Ault of Kennebec.

MAY M. ROSS, Secretary of the Senate

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-NINE

**AN ACT to Improve Local Government Investment Opportunities**

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

**Sec. 1. 5 MRSA § 121, first sentence** is amended to read:

The Treasurer of State shall keep his office at the seat of government and give the bond required by the Constitution of Maine, with 2 or more surety companies authorized to transact business therein, as sureties, in the penal sum of not less than ~~\$500,000~~ **\$1,000,000**.

**Sec. 2. 5 MRSA § 133-A** is enacted to read:

**§ 133-A. Municipal investment management**

**Notwithstanding any other provisions of this chapter or Title 30, the Treasurer of State is authorized to enter into agreements with municipalities, counties or their agent to provide investment management services for municipal funds. The funds shall be deemed to be funds of the participating municipalities or counties even though physically in the custody of the Treasurer of State and shall not be subject to the withholding provisions of section 133. The Treasurer of State shall keep whatever records as are necessary and shall make regular reports regarding his investment activities to the participants or their agent.**

## STATEMENT OF FACT

This bill will provide the municipalities and counties the opportunity to participate in the Treasurer of State's cash pool program, if they so desire, thus increasing the yield on their investment capabilities.