

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
114TH LEGISLATURE
SECOND REGULAR SESSION

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 491,
L.D. 671, Bill, "An Act to Provide Written Notice to Creditors
Under the Maine Probate Code"

Amend the amendment by inserting before section 1 the
following:

'Sec. 1. 9-B MRSA §623, sub-§2, ¶C, as enacted by PL 1975, c.
500, §1, is amended to read:

C. Assets held as a trustee, executor, administrator or
guardian or other fiduciary may be invested in a common trust
fund established under Title 18 18-A, section 4101 7-501.'

Further amend the amendment by inserting at the end before
the statement of fact the following:

'Sec. 8. 18-A MRSA §7-501, as enacted by PL 1979, c. 540, §1,
is amended by adding after the first paragraph 2 new paragraphs
to read:

'As used in this Part, "common trust fund" means any trust
or fund maintained by a bank or trust company exclusively for the
collective investment or reinvestment of money contributed
thereto by the bank or trust company, or an affiliated bank or
trust company, as a fiduciary, including a trustee of any trust
or fund for the primary purpose of paying employee benefits of
any kind.

As used in this Part, "fiduciary" includes trustee,
executor, administrator, guardian and custodian under a uniform
transfers to minors act.'

Further amend the amendment by renumbering the sections to
read consecutively.

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STATEMENT OF FACT

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6 This amendment amends sections of the law governing
financial institutions in the State and the Probate Code to
clarify that banks and trust companies when acting in a fiduciary
8 capacity, including as trustee of an employee benefit plan, may
invest funds in collective investment funds and may manage
10 collective investment funds.

12

This amendment corrects an incorrect cross-reference to the
Probate Code found within the Maine Revised Statutes, Title 9-B,
14 the law governing financial institutions in the State.

16

This amendment also corrects a technical problem with the
law as it is currently written resulting from the fact that the
18 Probate Code is a composite of several different uniform laws,
including the Uniform Probate Code, the Uniform Common Trust
20 Funds Act and the Uniform Trustees Powers Act. The term "common
trust funds" is not currently defined, so it is not clear that
22 employee benefit trusts are included. The general definition in
the Probate Code of "trust" excludes both common trust funds and
24 employee benefit funds. This amendment corrects the
inconsistency between that general definition and the sections of
26 the Probate Code derived from the Uniform Common Trust Funds
Act. It also corrects the lack of specific definition of
28 "fiduciary" as it is used in the Maine Revised Statutes, Title
18-A, section 7-501.

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Filed by Rep. Paradis of Augusta
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