

MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 898

H.P. 616

House of Representatives, March 5, 2009

**An Act To Amend the Law Pertaining to Permanently Restricted
Funds of Municipal Public Libraries**

Reference to the Committee on Judiciary suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative GILES of Belfast.
Cosponsored by Senator RECTOR of Knox and
Representatives: COHEN of Portland, EDGECOMB of Caribou, KNIGHT of Livermore Falls,
MacDONALD of Boothbay, MARTIN of Orono, ROTUNDO of Lewiston, STRANG
BURGESS of Cumberland, WEBSTER of Freeport.

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

2 **Sec. 1. 13 MRSA §4102**, as enacted by PL 1993, c. 371, §2, is amended to read:

3 **§4102. Appropriation of appreciation**

4 The governing board may appropriate for expenditure for the uses and purposes for
5 which an endowment fund is established as much of the net appreciation, realized and
6 unrealized, in the fair value of the assets of an endowment fund over the historic dollar
7 value of the fund as is prudent under the standard established by section 4106. The
8 governing board of a municipal public library may appropriate for expenditure for the
9 uses and purposes for which the endowment fund is established as much of the interest
10 and dividend income of the endowment fund as is prudent under the standard established
11 by section 4106, even if the fair value of the endowment fund is not greater than the
12 historic value of the endowment fund. This section does not limit the authority of the
13 governing board to expend funds as permitted under other law, the terms of the applicable
14 gift instrument or the charter of the institution.

15 **SUMMARY**

16 This bill allows the governing board of a municipal public library to spend the
17 dividend and interest income of an endowment fund, even if the fair value of the
18 endowment fund is less than the historic dollar value of the endowment fund.