

# MAINE STATE LEGISLATURE

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# 125th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2011

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**Legislative Document**

**No. 606**

S.P. 186

In Senate, February 17, 2011

### **An Act To Protect State Education Funds**

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Reference to the Committee on Education and Cultural Affairs suggested and ordered printed.

*Joseph G. Carleton Jr.*

JOSEPH G. CARLETON, JR.  
Secretary of the Senate

Presented by Senator COURTNEY of York.

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

**Sec. 1. 20-A M RSA §1001, sub-§19 is enacted to read:**

**19. Protection from bank fraud.** Each school board may deposit funds received from the State only in banks that protect against fraudulent automatic clearinghouse transactions. For the purposes of this subsection, "automatic clearinghouse transaction" means an electronic funds transfer between bank accounts that groups transactions.

## SUMMARY

This bill prohibits school boards from depositing funds received from the State in banks that do not cover losses in cases of fraudulent automatic clearinghouse transactions. "Automatic clearinghouse transaction" means an electronic funds transfer between bank accounts that groups transactions.