

MAINE STATE LEGISLATURE

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SEVENTY-SEVENTH LEGISLATURE

SENATE

NO. 259

In Senate, March 4, 1915.

Ordered, That five hundred copies be printed and that the same be referred to the Committee on Banks and Banking.

Committee on Reference.

Presented by Mr. Dunton of Penobscot.

STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND FIFTEEN

AN ACT to amend Section 80 of Chapter 48 of the Revised Statutes of Maine as amended by Chapter 15 of the Public Laws of 1905 relating to Trust Companies.

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

Section 80 of chapter 48 of the revised statutes of 1903
2 as amended by chapter 15, public laws of 1905, is hereby
3 amended by adding after the word "restored" in the next
4 to the last line of said section the following: "Provided, how-
5 ever, that any trust company may become a stockholder in
6 a Federal Reserve Bank within the Federal Reserve Dis-
7 trict where said trust company is situated, and while such
8 trust company continues as a member bank under the pro-

9 visions of the United States "Federal Reserve Act" ap-
10 proved December 23, 1913, or any acts in amendment there-
11 of, shall be subject to the provisions of said "Federal Re-
12 serve Act" and any amendments thereof relative to bank
13 reserves in substitution for the requirements of this section.
14 Every such trust company may have and exercise any and
15 all of the corporate powers and privileges which may be
16 exercised by member banks under provisions of "Federal
17 Reserve Act" or any acts in amendment thereof or in ad-
18 dition thereto,' so that said section as amended shall read
19 as follows:

'Sect. 80. Every trust and banking company having au-
21 thority to receive money on deposit shall at all times have
22 on hand in the lawful money or national bank notes of the
23 United States, as a cash reserve, an amount equal to at
24 least fifteen per cent of the aggregate amount of its de-
25 posits which are subject to withdrawal upon demand or
26 within ten days; provided, that in lieu of such cash reserve,
27 two-thirds of said fifteen per cent may consist of balances
28 payable on demand, due from any national bank or trust
29 company located in any of the other New England states
30 or New York and approved by the bank examiner in writ-
31 ing; and one-third of said fifteen per cent may consist of
32 the bonds of the United States, the District of Columbia,
33 and any of the New England states and the states of New
34 York, Pennsylvania, Maryland, Ohio, Indiana, Kentucky,
35 Michigan, Wisconsin, Minnesota, Iowa, Illinois, Missouri.

36 Kansas and Nebraska, the absolute property of such cor-
37 poration. Whenever said reserve shall be below said per-
38 centage of such deposits, such corporation shall not further
39 diminish the amount of its legal reserve by making any new
40 loans until the required proportion between the aggregate
41 amount of such deposits and its cash reserve shall be re-
42 stored. Provided, however, that any trust company may
43 become a stockholder in a Federal Reserve Bank within the
44 Federal Reserve District where said trust company is situ-
45 ated, and while such trust company continues as a member
46 bank under the provisions of the United States "Federal
47 Reserve Act" approved December 23, 1913, or any acts in
48 amendment thereof, shall be subject to the provisions of
49 said "Federal Reserve Act" and any amendments thereof
50 relative to bank reserves in substitution for the require-
51 ments of this section. Every such trust company may have
52 and exercise any and all of the corporate powers and privi-
53 leges which may be exercised by member banks under pro-
54 visions of the "Federal Reserve Act" or any acts in amend-
55 ment thereof or in addition thereto. All provisions of char-
56 ters in conflict with this section are void.'