

MAINE STATE LEGISLATURE

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EIGHTY-FIFTH LEGISLATURE

Legislative Document

No. 576

S. P. 437

In Senate, Feb. 13, 1931.

Referred to Committee on Judiciary and 500 copies ordered printed. Sent down for concurrence.

ROYDEN V. BROWN, Secretary.

Presented by Senator Aldrich of Sagadahoc.

STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND THIRTY-ONE

AN ACT to Amend Section Ninety-three of Chapter Five of
the Revised Statutes, Relating to the Investment of Municipal
Trust Funds.

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

Section ninety-three of chapter five of the revised statutes is hereby amended by inserting after the word "towns," in the eleventh line of said section, the words: 'and the bonds of water districts located in the state of Maine, and chartered and organized as quasi-municipal corporations under the laws thereof, which are the direct obligation of said water districts'; so that said section, as amended, shall read as follows:

'Sec. 93. Investment of trust funds. Any city or town which has a funded indebtedness may create a sinking fund for the payment and redemption of such indebtedness and may raise money by taxation for such purpose. City and town officers and officers of quasi-municipal corporations shall hereafter invest all permanent funds including sinking funds, permanent school funds, and money or credits deposited with them for perpetual care of lots in cemeteries, in the legal obligations of the United States of America; the states of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, and Pennsylvania, and the bonds of the several counties, cities, and towns in the several states

above named which are the direct obligation of said counties, cities, and towns, and the bonds of water districts located in the state of Maine, and chartered and organized as quasi-municipal corporations under the laws thereof, which are the direct obligation of said water districts, or may deposit the same on time deposit in banks or trust companies, organized under the laws of this state or of the United States, and not otherwise; and unless otherwise specifically provided by the terms of the grant or bequest the annual income, only, shall be expended in performance of the requirements of the trust. Provided that this section shall not be construed to require any change of investments made prior to July seven, nineteen hundred and twenty-three. But when the indebtedness for payment of which a sinking fund is created is refunded or paid by such city or town by a new loan, any stocks, bonds or securities in said sinking fund, other than its own bonds, may be withdrawn therefrom and shall not be regarded as pledged for payment of the new loan unless afterward returned to the sinking fund.'