

MAINE STATE LEGISLATURE

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ACTS, RESOLVES AND CONSTITUTIONAL RESOLUTIONS

AS PASSED BY THE

One Hundred and Sixth Legislature

OF THE

STATE OF MAINE

Published by the Director of Legislative Research in accordance with the Revised Statutes of 1964, Title 3, Section 164, Subsection 6.

THE KNOWLTON AND McLEARY COMPANY
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PUBLIC LAWS
OF THE
STATE OF MAINE
AS PASSED BY THE
One Hundred and Sixth Legislature

1973

L. Failure to report to the secretary of the board treatment of a chiropractor licensed under this chapter for addiction to alcohol or drugs or for mental illness in accordance with section 3285.

Effective October 3, 1973

CHAPTER 406

AN ACT to Allow the State of Maine to Make Secured Deposits in Interest Bearing Accounts.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, since additional millions of dollars are now flowing into the State of Maine Treasury under the Federal Revenue Sharing Act of 1972 and other unusual amounts of state funds from time to time accumulate in the State Treasury; and

Whereas, since present state law limits the amounts which may be invested in a given bank to an amount less than is actually available for investment; and

Whereas, since F.D.I.C. insurance is limited to \$20,000, it becomes prudent to both increase the amounts legal for investment in order to keep Maine money invested in Maine while at the same time insure the safety of the funds; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. R. S., T. 5, § 135, amended. The first sentence of the first paragraph of section 135 of Title 5 of the Revised Statutes is amended to read as follows:

The Treasurer of State may deposit the moneys, including trust funds of the State, in any of the banking institutions or trust companies or state or federal savings and loan associations or mutual savings banks organized under the laws of this State or in any national bank or banks located therein.

Sec. 2. R. S., T. 5, § 135, amended. The first sentence of the 2nd paragraph of section 135 of Title 5 of the Revised Statutes is amended to read as follows:

No sum exceeding an amount equal to 25% of the capital, surplus and undivided profits of any trust company or national bank or a sum exceeding an amount equal to 25% of the reserve fund and undivided profit account of a mutual savings bank or state or federal savings and loan associations shall be on deposit therein at any one time.

Sec. 3. R. S., T. 5, § 135, amended. The 2nd paragraph of section 135 of Title 5 of the Revised Statutes is amended by adding at the end the following new sentences:

The restriction shall not apply to deposits which are secured by the pledge of certain securities as collateral, nor to deposits fully covered by insurance. Such collateral shall be in an amount equal to such deposit. The value of the securities so pledged shall be determined by the Treasurer of State on the basis of book value, par value or market value, whichever is lower. The Treasurer of State shall review the value of securities pledged on January 2nd and July 2nd of each year. The collateral shall consist of securities in which savings banks may invest as provided in Title 9, sections 622 to 631. The securities shall be held in the depository institution and pledged to indemnify the State of Maine against any loss. Notice of such hypothecation at the time of deposit shall be given to the Treasurer of State by the depository institution and a copy of said notice shall be mailed to the State Department of Audit.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

Effective May 24, 1973

CHAPTER 407

AN ACT to Encourage Investment of Revenue Sharing Funds in Local Interest Bearing Accounts.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, since additional millions of dollars are now flowing into the municipal treasuries under the Federal Revenue Sharing Act of 1972 and other unusual amounts of state funds from time to time accumulate in the municipal treasuries, and since F.D.I.C. insurance is limited to \$20,000, it becomes prudent to both encourage local investment in order to keep Maine money invested in Maine while at the same time insure the safety of the funds; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

R. S., T. 30, § 5051, repealed and replaced. Section 5051 of Title 30 of the Revised Statutes, as amended, is repealed and the following enacted in place thereof:

§ 5051. Deposit or investment of funds

Reserve funds, trust funds and all funds shall be deposited or invested by the treasurer, by direction of the municipal officers, as follows:

1. **Banks.** Deposited in savings banks, trust companies and national banks in the State.