

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE
AS PASSED BY THE
One Hundred and Sixth Legislature
1ST SPECIAL SESSION
JANUARY 2, 1974 TO MARCH 29, 1974
AND BY THE
One Hundred and Seventh Legislature
REGULAR SESSION
JANUARY 1, 1975 TO JULY 2, 1975

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
FARMINGTON, MAINE
1975

PUBLIC LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE
One Hundred and Sixth Legislature

AT THE
SPECIAL SESSION

January 2, 1974

to

March 29, 1974

CHAPTER 732**AN ACT to Allow a Governor-elect an Additional Four Weeks for Submission of the Budget.**

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

R. S., T. 5, § 1666, repealed and replaced. Section 1666 of Title 5 of the Revised Statutes is repealed and the following enacted in place thereof:

§ 1666. Review and revision of estimates

The Governor-elect or the Governor, with the assistance of the State Budget Officer, shall review the budget estimates, altering, revising, increasing or decreasing the items of said estimates as may be deemed necessary in view of the needs of the various departments and agencies and the total anticipated income of the State Government during the ensuing biennium. Such review shall cover all budgets regardless of source of funds, including, but not limited to, budgets related to the Highway Fund, the Federal Revenue Sharing Fund, and other special revenue funds. The State Budget Officer, at the direction of the Governor-elect or the Governor shall then prepare a state budget document in the form required by law. The Governor-elect or the Governor shall be fully responsible for all budgetary recommendations made to the Legislature. The Governor shall transmit said budget document to the Legislature not later than the close of the 2nd week of the regular legislative session. A Governor-elect to his first term of office shall transmit said budget document to the Legislature not later than the close of the 6th week of the regular legislative session.

Effective June 28, 1974

CHAPTER 733**AN ACT Relating to Custody of State Trust and Retirement Funds Securities.**

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

Whereas, provisions of existing law have been interpreted as not adequate to provide for safekeeping of certain securities by a subagent; and

Whereas, emergency legislation is considered vitally necessary to permit use of available powers granted to trustees individually or corporate under the law; and

Whereas, the available powers above referred to are now denied Maine banks with respect to their custodianship of State Trusts; and

Whereas, clarification is immediately necessary to prevent depletion of public funds which otherwise must be relocated; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the fol-

lowing 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, § 138, amended. The last sentence of the 3rd paragraph of section 138 of Title 5 of the Revised Statutes, as amended by section 2 of chapter 181 of the public laws of 1971, is further amended to read as follows:

Such services shall consist of the safekeeping of said securities ~~in vaults of the bank or safe deposit company~~, collection of interest and dividends, periodical checks of the portfolio deposited for safekeeping to determine all calls for redemption, in whole or in part, of any bonds owned by such funds, and any other fiscal service which is normally covered in a custodial contract or agreement. **In performing services under any such contract or agreement, the contracting bank shall have all of the powers and duties prescribed for trust companies by Title 9, section 1093.**

Sec. 2. R. S., T. 5, § 138, amended. The last sentence of the 4th paragraph of section 138 of Title 5 of the Revised Statutes is amended to read as follows:

The contracting bank shall give assurance of proper ~~internal~~ safeguards, which are usual to such contracts, and shall furnish insurance protection satisfactory to both parties.

Sec. 3. R. S., T. 5, § 139, amended. The last sentence of the 2nd paragraph of section 139 of Title 5 of the Revised Statutes, as amended by section 5 of chapter 181 of the public laws of 1971, is further amended to read as follows:

Such services shall consist of the safekeeping of said securities ~~in vaults of the bank or safe deposit company~~, collection of interest and dividends, periodical checks of the portfolio deposited for safekeeping to determine all calls for redemption, in whole or in part, of any bonds owned by such funds, and any other fiscal service which is normally covered in a custodial contract or agreement. **In performing services under any such contract or agreement, the contracting bank shall have all of the powers and duties prescribed for trust companies by Title 9, section 1093.**

Sec. 4. R. S., T. 5, § 139, amended. The last sentence of the 3rd paragraph of section 139 of Title 5 of the Revised Statutes is amended to read as follows:

The contracting bank shall give assurance of proper ~~internal~~ safeguards which are usual to such contracts, and shall furnish insurance protection satisfactory to both parties.

Sec. 5. R. S., T. 5, § 1031, sub-§ 16, amended. The first sentence of the first paragraph of subsection 16 of section 1031 of Title 5 of the Revised Statutes, as repealed and replaced by section 5 of chapter 59 of the public laws of 1967, is amended to read as follows:

The board of trustees shall have the power to enter into a contract or agreement with any national bank, trust company or safe deposit company located in New England or New York City for custodial care and servicing of the ~~negotiable~~ securities belonging to any fund of the retirement system to the extent that there may be any such securities which are not held by the bank fiduciary under subsection 15.

Sec. 6. R. S., T. 5, § 1031, sub-§ 16, amended. The last sentence of the first paragraph of subsection 16 of section 1031 of Title 5 of the Revised Statutes, as repealed and replaced by section 5 of chapter 59 of the public laws of 1967, is amended to read as follows:

Such services shall consist of the safekeeping of said ~~negotiable~~ securities ~~in the vaults of the bank, trust company or safe deposit company~~, preparation of coupons for collection, the actual collection of such coupons, periodic checks of the portfolio deposited for safekeeping to determine all calls for redemption, in whole or in part, of any bonds owned by the retirement system, and any other fiscal service which is normally covered in a custodial contract or agreement. **In performing services under any such contract or agreement, the contracting bank shall have all of the powers and duties prescribed for trust companies by Title 9, section 1093.**

Sec. 7. R. S., T. 5, § 1031, sub-§ 16, amended. The last sentence of the 2nd paragraph of subsection 16 of section 1031 of Title 5 of the Revised Statutes, as last repealed and replaced by section 5 of chapter 59 of the public laws of 1967, is amended to read as follows:

The contracting bank shall give assurance of proper ~~internal~~ safeguards, which are usual to such contracts, and shall furnish insurance protection satisfactory to both parties.

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

Effective March 12, 1974

CHAPTER 734

AN ACT to Transfer Authority for Watercraft Registration and Safety to Commissioner of Inland Fisheries and Game.

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

Sec. 1. R. S., T. 12, c. 308, additional. Title 12 of the Revised Statutes is amended by adding a new chapter 308 to read as follows: