

§142. -- investment of sinking funds

The Treasurer of State, with the approval of the Governor and the Superintendent of Financial Institutions, shall from time to time as funds appropriated for any sinking fund established by law are received into the treasury, invest the same, with the income thereof as it accrues, in any bonds of Maine, of any other New England state or in the bonds of the United States. When the bonds fall due and are paid, the proceeds from the bonds must be reinvested in like manner. [PL 2001, c. 667, Pt. A, §2 (AMD).]

The Treasurer of State, with the approval of the Governor and the Superintendent of Financial Institutions, has 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 the servicing of the negotiable securities belonging to any sinking fund of the State. The services consist of the safekeeping of the negotiable securities in the vaults of the bank or safe deposit company, preparation of coupons for collection, the actual collection of the coupons, periodical checks of the portfolio deposited for safekeeping to determine all calls for redemption, in whole or in part, of any bonds owned by the funds, and any other fiscal service that is normally covered in a custodial contract or agreement. [PL 2001, c. 667, Pt. A, §2 (AMD).]

The Treasurer of State is empowered to arrange for the payment for such services, either by cash payments to be charged pro rata to the income of such sinking funds, or by an agreement for a compensating deposit balance with the bank in question, in lieu of such cash payment, or by some combination of both methods of payment. 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.

The Treasurer of State is empowered to withdraw or deposit securities from or with the custodian as circumstances may require, all withdrawal orders or delivery instructions to bear the approval in writing of the Superintendent of Financial Institutions and that of either or both the Governor and the Commissioner of Administrative and Financial Services. [PL 1991, c. 780, Pt. Y, §13 (AMD); PL 2001, c. 44, §11 (AMD); PL 2001, c. 44, §14 (AFF).]

All contracts and agreements entered into between the Treasurer of State and custodian banks and safe deposit companies selected for the safekeeping or custodial care of the negotiable securities referred to in this section shall have the approval of the Governor. [PL 1975, c. 771, §44 (AMD).]

SECTION HISTORY

PL 1973, c. 585, §§11,14 (AMD). PL 1975, c. 771, §44 (AMD). PL 1985, c. 785, §A14 (AMD). PL 1991, c. 780, §Y13 (AMD). PL 2001, c. 667, §A2 (AMD).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the First Special Session of the 132nd Maine Legislature and is current through October 1, 2025. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.