

SEVENTY-NINTH LEGISLATURE

SENATE

NO. 200

In Senate, March 12, 1919.

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

P. F. CRANE, Secretary.

Presented by Senator Ames of Washington.

STATE OF MAINE

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

AN ACT Providing for Co-operation with the United States in the Settlement of Returned Soldiers, Sailors, and Marines, on State Lands and Lands Acquired Under This Act; Creating a Soldier Settlement Board, Defining Its Powers and Duties, and Making an Appropriation Therefor.

Whereas our soldiers, sailors and marines daily are returning in increasing numbers, many of whom are now without homes, occupation or means of support, and whereas it is the plan of the federal government to co-operate with the several states in providing for the settlement of returned soldiers, sailors and marines on state and other lands in the states and whereas in the opinion of this legislature these facts constitute this act an emergency measure, which is immediately necessary for the preservation of the public peace, health or safety, now therefore,

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

Sect. 1. This act may be known and cited as "The Soldier 2 Settlement Act."

Sect. 2. The object of this act, is, in recognition of mili-2 tary service, to provide employment and rural homes for 3 soldiers, sailors, marines, and others who have served with 4 the armed forces of the United States in the European 5 war or other wars of the United States, including former 6 American citizens who served in allied armies against the 7 Central Powers and have been repatriated, and who have 8 been honorably discharged, hereafter referred to generally 9 as "soldiers"; and to accomplish such purpose by co-oper-10 ation with the agencies of the United States engaged in 11 work of a similar character.

Sect. 3. Two alternative plans for such co-operation are 2 embodied herein, one in section seven and the other in 3 section eight, all other sections in this act contained being 4 equally applicable to both such plans. In order to carry 5 out the provisions hereof there is hereby established a 6 fund to be known as the "Soldiers Settlement Fund" by 7 appropriation herein and hereafter made. For co-opera-8 tion with the agencies of the United States there is hereby 9 created a Soldier Settlement Board, hereafter referred to 10 as the board, composed of three members, one to be ap-

II pointed by the governor, and designated as soldier settle-12 ment commissioner and who shall serve as chairman of 13 the board, and shall receive a salary of twenty-five hun-14 dred dollars per annum, the two others shall be the dean 15 of the University of Maine and the commissioner of agri-16 culture, as ex-officio members. The commissioner shall 17 hold office for a term of five years and until his successor 18 has been appointed and shall have gualified. The attorney 19 general shall be the legal adviser of the board and prose-20 cute or defend any suits or actions arising out of the dis-21 charge of their official duties. The board shall appoint 22 a secretary and such other officers and employees as it 23 deems necessary, shall fix their salaries, and provide for 24 all necessary expenses for carrying out the provisions of 25 this act. The board may dismiss the secretary or any offi-26 cer or employee for good cause. Two members shall con-27 stitute a quorum, which may exercise all the power and 28 authority conferred on the board.

Sect. 4. The board shall satisfy itself of the practica-2 bility of each undertaking proposed, utilizing all related 3 and serviceable state agencies, all of which are hereby 4 authorized and directed to co-operate with and assist said 5 board in every way, and thereupon shall co-operate with 6 the authorities of the United States in the preparation of 7 plans for settlement of soldiers. The board is authorized 8 to utilize public lands of the state and to acquire agri-9 cultural lands which may be deemed suitable for settlement,

10 together with necessary water rights, rights of way, and II other appurtenances, for settlement for purposes of hus-12 bandry and business incidental thereto. When deemed ad-13 visable in the discretion of the board and the co-operating 14 agencies of the United States, any of said lands may be 15 leased until it may be deemed advisable to sell or use the 16 same. The board may also set aside and dedicate to pub-17 lic use appropriate tracts for roads, schoolhouses, churches 18 or other public purposes. Any lands belonging to the state 19 and deemed by the board suitable for the purposes of this 20 act shall be available for disposition by the board and the 21 state land agent and forest commissioner shall co-operate 22 with the board in every way necessary to carry out the 23 purposes of this act in regard to such lands. The board 24 is hereby authorized to perform all acts necessary to co-25 operate fully with the agencies of the United States en-26 gaged in work of similar character.

Sect. 5. Whenever the board, in accordance with plans 2 agreed upon with the authorities of the United States, 3 desires to acquire land, it shall give notice by publication 4 in one or more newspapers of general circulation in the 5 state and in the counties where the lands lie calling for 6 offers from owners of land of the character desired. Such 7 notice shall be published once a week for five consecutive 8 weeks, the last date of publication being not more than 9 one week prior to the date of opening offers, and shall 10 specify the matter which should be incorporated in such 11 offers. After thorough investigation and report as to the 12 character of the lands, rights and appurtenances, upon an 13 examination by one or more members of the board, to-14 gether with a representative of the co-operating agency 15 of the United States, and such experts of the state agri-16 cultural college and others as may be deemed advisable, 17 and after approval by the attorney general of the state 18 of the title to lands and any water rights or other rights 19 appurtenant thereto deemed essential by the board, and 20 after approval of the purchase by the authorities of the 21 United States and arrangements made by the United States 22 so that the federal government may undertake the reclama-23 tion of the lands if necessary, and for improvement and 24 subdivision of the lands, the board may recommend the 25 acquirement of the land to the governor, and on the ap-26 proval by the governor, with the consent of the council 27 the lands deemed necessary for carrying out the plans 28 agreed to with the United States, shall be acquired by 29 purchase, gift, or condemnation. Payment, if necessary, 30 shall be made out of funds provided by the state or shall 31 be by settlers under conditions fixed by agreement between 32 the board and the owners of said lands. The board shall 33 have the discretion to reject any or all offers to accept 34 offers which may not be the lowest and to readvertise from 35 time to time as it may deem necessary.

Sect. 6. In co-operating with the agencies of the United 2 States the board is empowered to take title in the name of

3 the state to lands in fee simple or in trust or under such 4 other conditions as may be deemed advisable for the pur-5 poses of this act, and may convey title thereto or execute 6 such liens as may be necessary for carrying out the plans 7 decided upon in co-operation with the agencies of the Uni-8 ted States. The title to the land furnished by the state shall 9 be held by all purchasers under such conditions and re-10 strictions as may be specified in the Federal statutes re-11 lating to this subject, or approved by the secretary of the 12 interior.

Sect. 7. The basis of co-operation under the first alterna-2 tive plan shall be that the state shall provide the land 3 needed for settlement and the United States shall provide 4 the money necessary to meet the expenses of reclamation 5 and subdivision and the necessary improvements and 6 equipment, perform the necessary work and have charge 7 of all settlement work. The board shall make appropri-8 ate arrangements with the agencies of the United States 9 for repayment to the state of the cost of land furnished 10 by the board which may be utilized in providing homes for 11 the soldier, and all money so received or otherwise received 12 by the board shall be turned into the Soldier Settlement 13 Fund and be available for meeting the obligations of the 14 board on account of the land and for further expenditures 15 in accordance with the provisions of this act. The moneys 16 so payable to the state shall be collected by federal agen-17 cies, and the board may contract with the United States to 18 the end that where disbursements have been made by way 19 of construction costs for the reclamation and improvement 20 of any given land, repayments to the United States on 21 account thereof shall be divided between the Federal Gov-22 ernment and the State Soldier Settlement Fund in pro-23 portion to the disbursements made by the federal agencies 24 and the board respectively.

Sect. 8. The basis for co-operation under the second al-2 ternative plan shall be that the board shall make actual 3 expenditures in an amount not less than 25 per cent. of 4 the total investment for reclamation as hereinafter de-5 fined, for actual payment for the land, for farm improve-6 ments as hereinafter defined, and for the purchase of farm 7 implements, seed, stock and other necessary equipment, 8 any actual outlay of money for the lands to be used being 9 computed as a part of such 25 per cent., and the board shall 10 have the option, under the supervision of the secretary of 11 the interior, to control the preparation of the land as homes 12 and the settlement thereof under such agreement as may 13 be made with the United States and in accordance with 14 the following provisions:

(A) After the necessary financial plans have been made,
2 the board shall proceed with such work, providing in the
3 subdivision of the land for farms each having a value
4 when unimproved as determined by the board not exceed5 ing \$3000, and for farm-laborer allotments each having a
6 value when unimproved as determined by the board, not

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7 exceeding \$1,500; and the board may make the necessary 8 improvements or may contract with the settler to make 9 such improvements upon each farm or farm allotment Seeding, planting and 10 among others the following: It fencing the land and causing dwelling houses and out-12 buildings to be erected, the construction of farm drains 13 and laterals and the making of such other improvements 14 as may be deemed necessary or proper to render the par-15 ticular farm or allotment habitable and productive, the 16 same being collectively hereinafter referred to as "farm 17 improvements." The maximum expenditure for farm im-18 provements upon any allotments shall be fixed as to each 19 project by agreement between the board and the agencies 20 of the United States. The contract with the United States 21 may provide for the construction by the Federal Govern-22 ment of works for drainage, irrigation, building levees, 23 general sanitation and the subdivision of the lands and 24 for the clearing of timber, as the nature of the individual 25 project shall require and for the leveling of land when 26 necessary, and other work needed to render one or more 27 groups of farms available for agriculture, which work is 28 defined for the purposes hereof as "reclamation."

(B) The board is authorized to secure from the United
2 States the necessary funds to make loans to approved set3 tlers for making permanent improvements and for the pur4 chase of farm improvements, stock and other necessary
5 equipment, which are defined for the purposes hereof as

6 "short-time loans," each to be secured by a mortgage or 7 other effective lien on the land or upon property purchased 8 with said loan; the total amount of each short-time loan 9 shall not exceed \$3,000 for a farm or \$1,000 for a farm-10 laborer allotment. As funds are needed from the United II States the proper agencies thereof shall be requested to 12 advance the same. Such funds shall be used for no other 13 purpose than as provided for by the Federal laws, and 14 the rules and regulations. Each employee of the board 15 handling such funds shall be required to give bond of an 16 amount and with sureties satisfactory to the agencies of 17 the United States having charge of soldier settlement 18 work. Any interest which may accrue upon funds ad-19 vanced by the United States shall be credited to the ac-20 count of the United States. The board is authorized to 21 give to the agencies of the United States such assurances 22 of repayment of moneys advanced by the United States 23 by mortgages, liens or assignment of mortgages or liens 24 or otherwise as may be required by the Federal laws and 25 the rules and regulations thereunder.

(C) The board is hereby authorized to take over from 2 the secretary of the interior of the United States and to 3 operate and maintain any irrigation, drainage or other 4 works or improvements constructed for the benefit of sol-5 diers by the U. S. Reclamation Service, and involving 6 lands owned or controlled by the board under this act, and 7 shall become responsible for the proper care thereof and

8 provide for the repayment of the cost thereof. The board 9 shall require of each purchaser of land the payment of 10 proper and reasonable charges for the operation and main-11 tenance and preservation of such works and shall also be 12 authorized to make reasonable charges pursuant to general 13 regulation for services rendered to the purchasers of lands 14 and others.

(D) The board shall collect from settlers the sums due 2 for principal and interest on lands, reclamation costs, farm 3 improvements and in payment of short-time loans, and 4 shall first repay all sums advanced by the United States 5 for short-time loans to settlers and thereafter the pay-6 ments of settlers shall be divided between the state and 7 the United States in proportion to the amounts due them 8 respectively, all amounts due the state being turned into 9 the Soldier Settlement Fund, and be available to meet the 10 board's obligations.

(E) The lands disposed of under this act shall be sold 2 in accordance with plans prepared in co-operation with 3 the agencies of the United States for soldier settlement, 4 after public notice in one or more newspapers of general 5 circulation in the state, once a week for five consecutive 6 weeks, the last date of publication being not more than 7 one week prior to the date of sale, setting forth in general 8 terms the information necessary for the public and provid-9 ing for detailed statements to be available at the office of 10 the board and other convenient places which shall supply

11 full information as to the farms and allotments and the 12 several prices therefor. The manner of sale shall be such 13 as to afford equal opportunity to all qualified soldiers de-14 siring to purchase. The purchaser may be required to 15 make application in a form approved by the board stating 16 among other things, whether he has available the mini-17 mum amount of capital deemed necessary by the board, 18 which shall be not less than 10 per cent. of the improved 10 and equipped value of the farm or allotment, and whether 20 he can comply with the terms of payment and give such 21 assurances in regard thereto as the board may require. 22 The board shall have the discretion to reject any or all 23 applications and to readvertise from time to time any or 24 all tracts, as it deems necessary. Any land which may 25 be purchased or otherwise acquired, not deemed necessary 26 for the purposes of this act, may be sold after public no-27 tice for the same period of advertisement as herein speci-28 fied, upon such terms as the board may prescribe.

(F) The soldier to be a qualified applicant must be a 2 citizen of the United States and must satisfy the board 3 that he is not the holder of agricultural land or possessory 4 rights which, together with the land, improvements, and 5 equipment to be purchased hereunder shall exceed a value 6 of \$15,000. No purchaser shall hold more than one farm 7 or allotment on which all charges are not fully paid, and 8 each purchaser shall satisfy the board as to his fitness to 9 cultivate and develop the same successfully, both financial-

10 ly and otherwise. The board, may, in its discretion, re-11 quire applicants to appear before it in person.

(G) Each approved applicant shall enter into contract 2 of purchase which, among other things, shall create a 3 mortgage or other effective lien for the payment of the 4 purchase price of the land, the reclamation costs and the 5 farm improvements and other charges, if any, and also re-6 quire the purchaser to actually occupy the land within six 7 months and to actually reside thereon for at least eight 8 months in each calendar year for a period of at least five 9 years, unless prevented by illness or other cause satisfac-10 tory to the board; any other absence from the land ex-II ceeding four months in any calendar year shall be a breach 12 of the contract. The contract shall provide for immedi-13 ate payment of 2 per cent. of the sale price of the land, 14 including reclamation costs and in addition not less than 15 10 per cent. of the cost of the farm improvements. The 16 balance of the amount for the land and reclamation costs 17 shall be due as follows: 2 per cent. each year for the 18 first four years, and thereafter shall be due in annual pay-19 ments to be fixed by the board for a further period not 20 exceeding 40 years so as to repay the capital sum with in-21 terest on deferred payments from the date of the contract 22 at the rate of 4 per cent. per annum. The title to the land 23 shall not pass until full payment for the land and the re-24 clamation costs. The amount due on farm improvements 25 shall be repaid in a period to be fixed by the board not

26 exceeding 20 years so as to return the capital sum with 27 interest on deferred payments at the rate of 4 per cent. 28 per annum. The repayment of short-time loans shall ex-29 tend over a period to be fixed by the board not exceeding 30 five years, payable in such amounts and at such times as 31 may be determined by the board. The purchaser shall 32 have the right on any installment date to pay any or all 33 installments thereafter due.

(H) The contract shall also provide that the purchaser 2 shall cultivate the land in a manner to be approved by 3 the board and shall keep in good order all buildings, im-4 provements, and equipment, reasonable wear and tear ex-5 cepted. Each purchaser shall pay such assessments as 6 may be levied by the board to provide the equivalent of 7 insurance to protect the interest of the state and the Unit-8 ed States in all buildings, improvements and equipment, 9 and in case of loss shall pay from the fund created by 10 such assessments, such amounts, to the state, the United 11 States or the purchaser as such board shall determine to 12 be equitable and just; and to provide when possible for 13 life, health and accident insurance.

(I) The contract shall also provide that until all pay2 ments thereunder have been made no farm or allotment
3 shall be transferred, assigned, or mortgaged in whole or
4 in part without the written consent of the board.

(J) The contract shall also provide that in case of fail-2 ure of the settler to comply with any of the terms thereof

3 the board shall have the right, at its option, to cancel the 4 contract and shall thereupon be released from all obliga-5 tions under the contract and the purchaser shall forfeit 6 all rights under the contract. All payments theretofore 7 made shall be deemed to be a rental paid for occupancy, 8 so far as to the board shall deem right and just, any ex-9 cess of payments above such just rental to be paid to the 10 settler and his heirs. The failure of the board to exercise II any option to cancel for default or violation of the con-12 tract shall not be deemed a waiver of such right but the 13 same may be exercised thereafter. No forfeiture or can-14 cellation shall in any way impair the lien and security of 15 the mortgage or other lien securing the purchase price of 16 the land, and reclamation costs and farm improvements, 17 or the repayment of loan. Upon forfeiture, cancellation, 18 or relinquishment of a contract the board shall have the 19 right to sell any farm or allotment and appurtenances, im-20 provements, and equipment to any other qualified purchaser. 21 If a contract is forfeited and the holding has been dis-22 posed of for more than the total sum due the state and 23 the United States under the contract, the surplus shall be 24 paid to the allottee, his heirs, legal representatives or as-25 signs.

(K) In case of the death of any purchaser before full
2 payment the rights under the contract shall pass to his
3 heirs or devisees, who shall be bound by all the condi4 tions thereof but may surrender the same to the board
5 upon terms and conditions satisfactory to the board.

Sect. 9. The board may provide all necessary means for 2 furnishing agricultural training for the soldier so as to 3 render him better qualified for the cultivation of his land. 4 The board is authorized to arrange with the agencies of 5 the Federal Government for sharing in the expense of 6 such work under appropriate conditions of supervision by 7 the Federal Government.

Sect. 10. In any case where works have been or are to 2 be constructed which are of general benefit to an area in-3 volving a number of farms or allotments as in the case 4 of irrigation, drainage, clearing cut-over land or other 5 means of reclamation or development, and where the co-6 operating Federal agencies find that the interest of the 7 project would be advanced by the organization of an Irri-8 gation, Drainage, Conservancy, Improvement District or 9 other public corporation, the board shall take all neces-10 sary steps in its power to accomplish such organization. 11 The board is authorized to contract with such district or 12 the United States, or both, to carry out any or all provi-13 sions of this act.

Sect. 11. For the purpose of carrying out the provisions 2 of this act, the state shall have power and is hereby au-3 thorized to take and hold by purchase or otherwise such 4 lands, or real estate as may be necessary for carrying out 5 the provisions of this act. It may enter upon said lands 6 or real estate to make surveys and locations and shall file 7 in the registry of deeds in the county in which the lands

8 or real estate lie, plans of such locations of land or real o estate, showing the lands or real estate taken and within 10 thirty days thereafter publish such notice of such taking II and filing in the state paper and in some newspaper in 12 said county, such publication to be continued three weeks 13 successively. Should the state and owner of such land 14 or real estate be unable to agree upon the damages to be 15 paid for such land or real estate taken and holden, the 16 owner thereof or the state may within six months after 17 the filing of said plans and location apply to the county 18 commissioner of the county in which the lands or real es-19 tate lie, who shall cause such damages to be assessed in 20 the same manner and under the same conditions, restric-21 tions, limitation and rights of appeal as are by law pre-22 scribed in the case of damages for land taken for the lay-23 ing out of highways, so far as such law is consistent with 24 the provisions of this act. Upon request of the board 25 the attorney general shall promptly initiate and carry on 26 appropriate proceedings under this section.

Sect. 12. Whenever the secretary of the interior and 2 the board shall find that all or any part of such lands re-3 maining available will not be required for homes for sol-4 diers they may be opened to disposition to other citizens 5 of the United States, subject to the provisions and limita-6 tions of this act.

Sect. 13. The board shall report annually to the governor 2 giving a full statement of its operations, shall also make

3 investigations regarding the subjects with which it is au-4 thorized to deal, and make recommendations for legisla-5 tion. The board shall furnish a copy of its report to the 6 secretary of the interior.

Sect. 14. The board is hereby authorized to perform any 2 and all acts and to make such rules and regulations as 3 may be necessary and proper for the purpose of carrying 4 the provisions of this act into full force and effect.

Sect. 15. Owners of approved tracts instead of selling 2 to the state may place the same in the hands of trustees 3 to be selected by them and approved by the board and 4 proper Federal authorities at an agreed price and have all 5 the benefits of this act, receiving payment for such tracts 6 through such trustees the same as the state would, had 7 the state become the purchaser thereof.

Sect. 16. Where convenient but not necessarily contigu-2 ous acres each less than ten thousand acres but aggregat-3 ing ten thousand acres and upwards can be advantageously 4 grouped and handled as one tract, they may, for the pur-5 poses of this act, be designated and known as "Soldiers 6 Districts" and administer under the provisions of this act.

Sect. 17. For the purpose of carrying out the provisions 2 of this act so much of the Reserve Land Fund not other-3 wise invested as may be necessary to carry out the pro-4 visions of this act is hereby appropriated for said purpose.

Sect. 18. If any part of this act shall for any reason 2 be adjudged by any court or competent jurisdiction to be

3 unconstitutional such judgment shall not affect, impair or 4 invalidate the remainder of this act, but shall be confined 5 in its operation to the particular part thereof directly in-6 volved in the controversy wherein such judgment shall 7 have been rendered.

Sect. 19. All laws in so far as inconsistent with the 2 terms of this act are hereby repealed.

In view of the emergency cited in the preamble, this act 2 shall take effect when approved.