

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

OF THE

SEVENTY-FIRST LEGISLATURE

OF THE

STATE OF MAINE

1903.

Published by the Secretary of State, agreeably to Resolves of June 28,
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PUBLIC LAWS

OF THE

STATE OF MAINE.

1903.

Chapter 190.

An Act to amend Section one hundred of Chapter forty-seven of the Revised Statutes, as amended by Chapter one hundred sixty-one of the Public Laws of eighteen hundred and ninety-five, relating to the investment of funds of Savings Banks.

Be it enacted by the Senate and House of Representatives in Legislature assembled, as follows:

Section 100 of chapter 47, R. S., as amended by chapter 161, public laws of 1895, further amended.
Investment of deposits.

Section 1. Section one hundred of chapter forty-seven of the revised statutes as amended by chapter one hundred sixty-one of the public laws of eighteen hundred and ninety-five, is hereby amended so as to read as follows:

‘Section 100. Savings banks and institutions for savings are restricted to and hereafter may invest their deposits as follows:

First, *a*: In the public funds of the United States and District of Columbia.

b: In the public funds of any of the New England states and of the states of New York, Pennsylvania, Maryland, Ohio, Indiana, Kentucky, Michigan, Wisconsin, Minnesota, Iowa, Illinois, Missouri, Kansas and Nebraska.

Second, *a*: In the bonds of the counties, cities and towns of any of the New England states.

b: In the bonds of cities and districts in the states of New York, Pennsylvania, Maryland, Ohio, Indiana, Kentucky, Michigan, Wisconsin, Minnesota, Iowa, Illinois, Missouri, Kansas and Nebraska, having a population of seventy-five thousand or more, when issued for municipal purposes and which are a direct obligation on all the taxable property therein.

c: In the bonds of counties of twenty thousand inhabitants or more in the states of New York, Pennsylvania, Maryland, Ohio, Indiana, Kentucky, Michigan, Wisconsin, Minnesota, Iowa, Illinois, Missouri, Kansas and Nebraska, when issued for municipal purposes, and which are a direct obligation on all the taxable property therein, except when issued in aid of railroads, provided that the net municipal indebtedness of such county does not exceed five per cent of the last preceding valuation of the property therein for the assessment of taxes.

d: In the bonds of any city of ten thousand inhabitants or more in the states of New York, Pennsylvania, Maryland, Ohio, Indiana, Kentucky, Michigan, Wisconsin, Minnesota, Iowa, Illinois, Missouri, Kansas and Nebraska, when issued for municipal purposes and which are a direct obligation on all the taxable property therein, except when issued in aid of railroads, provided the net municipal indebtedness of such city does not exceed five per cent of the last preceding valuation of the property therein for the assessment of taxes.

e: In the refunding bonds of counties and cities above enumerated issued to take up at maturity bonds which were legal and constitutional when issued, provided the interest has been fully paid on such original bonds for at least five years last prior to such refunding; provided further that such counties and cities can otherwise meet the foregoing conditions.

f: In the bonds and obligations of school district boards, boards of education and other corporate bodies within such cities, authorized to issue bonds payable primarily from taxes levied on all the taxable property in said district; provided that the population of the district is ten thousand or more, and the population and assessed valuation of the district are equal to at least ninety per cent of the population and the assessed valuation of the city within which such district is located; provided further that the net municipal indebtedness of such district does not exceed five per cent of the last preceding valuation of the property therein for the assessment of taxes.

g: In the bonds or obligations of any municipal or quasi municipal corporation of this state, when such securities are a direct obligation on all the taxable property of said corporation.

Third, *a*: In the railroad bonds of this state.

b: In the first mortgage bonds of any completed railroads of the states of New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Maryland, Ohio, Indiana, Kentucky, Michigan, Wisconsin, Minnesota, Iowa, Illinois, Missouri, Kansas and Nebraska.

c: In the first mortgage bonds of the Central Pacific, Union Pacific and Northern Pacific railroads.

d: In the mortgage bonds of any railroad leased to any dividend paying railroad in New England upon terms guaranteeing the payment of a regular stated dividend upon the stock of such leased road and the interest on its bonds.

e: Street railroad companies are not railroad companies within the meaning of the foregoing clauses of this section.

f: In the bonds of street railroads constructed in this state prior to April twenty-seven, eighteen hundred ninety-five, and in the bonds of street railroads in this state constructed after said date and in the first mortgage bonds of any completed street railroad in the states of New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Maryland, Ohio, Indiana, Kentucky, Michigan, Wisconsin, Minnesota, Iowa, Illinois, Missouri, Kansas and Nebraska; provided that in the case of street railroads constructed in this state after April twenty-seven, eighteen hundred and ninety-five, and in the case of street railroads in the states above

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named, an amount of capital stock equal to thirty-three and one-third per cent of the mortgage debt shall have been paid in, in cash, and expended upon the road evidenced by a certificate of the railroad commissioners of the state where the road is located, filed in the office of the secretary of state of this state, that said percentage has been so paid in and expended in addition to the amount of the bonded debt; provided, that in such of the above states as have no railroad commissioners having supervision of street railroads the bank examiner of this state may ascertain the facts and if they meet the foregoing requirement may file certificate thereof with the secretary of state, and all the expenses and compensation of the bank examiner for such service shall be paid by the railroad company seeking to make its bonds a legal investment under this section, whether the same are admitted or not.

Fourth: In the mortgage bonds of any water company in the New England states actually engaged in supplying any city or cities, town or towns, village or villages, or other municipal corporations with water for domestic use and for the extinguishment of fires, whenever such company is earning more than its fixed charges and interest on its debts and its running expenses.

Fifth: In bonds of any corporation other than railroad and water companies, incorporated under the authority of this state, which are earning and are paying a regular dividend of not less than five per cent a year.

Sixth, *a*: In the stock of any bank or banking association incorporated under the authority of this state.

b: In the stock of any bank or banking association incorporated under the authority of the United States, if located within the New England states.

c: In the stock of any railroad company of this state unencumbered by mortgage.

d: In the stock of any dividend paying railroad in New England.

e: In the stock of any railroad leased to any dividend paying railroad in New England upon terms guaranteeing the payment of a regular stated dividend upon the stock of such leased road and the interest on its bonds.

f: In the stock of any corporation, other than railroad and water companies, incorporated under authority of this state which earns and is paying a regular dividend of not less than five per cent a year.

Sixth, *a*: In loans secured by first mortgages of real estate in this state and New Hampshire to an amount not exceeding sixty per cent of the value of such real estate.

b: In notes with a pledge as collateral of any public funds or bonds of any kind, or of any stocks, which the bank or institution would, by this section, be authorized to purchase.

c: In notes with a pledge as collateral of any savings bank deposit book issued by any savings bank in this state.

d: In notes with a pledge as collateral of the stock of any railroad or railroads mentioned in this section, to an amount not exceeding seventy-five per cent of the market value of such stock.

e: In loans to any municipal corporation in this state.

f: In loans secured by a mortgage of such personal property as in the judgment of the trustees it is safe and for the interest of the bank to accept.

g: In loans to any corporation owning real estate in this state and actually conducting in this state the business for which such corporation was created.

Seventh, *a*: The term 'net municipal indebtedness of counties' as used in this section shall be construed to include all bonds which are a direct obligation of the county, less the amount of any sinking fund available in reduction of such debt.

b: The term 'net municipal indebtedness of cities and districts' as used in this section shall be construed to include in the case of either, not only all bonds which are a direct obligation of the cities but also all bonds of the districts or boards within the same as above enumerated, exclusive of any such debt created for a water supply and of the amount of any sinking fund available in reduction of such debt.

c: The number of inhabitants of cities and counties shall be determined by the last previous official census thereof as established by the last United States or state census, or city or county census taken in the same manner as United States or state census, and duly certified to by the clerk or treasurer of such city or the auditor or treasurer of such county.

Eighth: All investments shall be charged and entered on the books of the bank at their cost to the bank, or at par when a premium is paid.'

Approved March 28, 1903.