

# MAINE STATE LEGISLATURE

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DOCUMENTS

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THE LEGISLATURE,

OF THE

STATE OF MAINE,

DURING ITS SESSION

**A. D. 1838.**

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# EIGHTEENTH LEGISLATURE.

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**NO. 15.**

**SENATE.**

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## STATE OF MAINE.

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IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT HUNDRED  
AND THIRTY-EIGHT.

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### AN ACT ADDITIONAL regulating Banks and Banking.

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SECTION 1. *Be it enacted by the Senate  
2 and House of Representatives in Legislature  
3 assembled,* That the amount of notes or bills  
4 issued and in circulation of the several Banks  
5 in this State, shall not hereafter, exceed the  
6 following amounts respectively, viz :—Those  
7 having capitals of Fifty Thousand Dollars, a  
8 circulation equal in amount to their capital stock.  
9 Those having capitals of more than Fifty, and  
10 less than One Hundred and Fifty Thousand  
11 Dollars, a circulation equal in amount to three

12 quarters of their capital stock. Those having  
13 capitals of One Hundred and Fifty Thousand  
14 Dollars and upwards, a circulation equal in  
15 amount to two thirds of their capital stock,  
16 instead of the circulation now allowed by law.

SECT. 2. *Be it further enacted,* That it  
2 shall be, and, hereby is, made the duty of the  
3 directors of the several incorporated Banks in  
4 this State, to require of the Cashiers of their  
5 respective Banks, a renewal of their official Bond  
6 in the month of October annually.

SECT. 3. *Be it further enacted,* That if any  
2 Bank shall neglect or refuse to redeem in Gold  
3 or Silver, any bill or note issued by such Bank,  
4 on demand in the usual banking hours, such  
5 Bank shall be liable, after the expiration of  
6       days from such demand, and on present-  
7 ment and demand of payment of such bill, to  
8 pay to the holder thereof, at the rate of twenty-  
9 four per cent. per annum from the time of such  
10 presentment.

SECT. 4. *Be it further enacted,* That in  
2 addition to the particulars enumerated in the  
3 twenty-second section of an act, approved March  
4 thirty-first, in the year of our Lord one thousand

5 eight hundred and thirty-one, entitled “An Act  
6 to regulate Banks and Banking,” it shall be the  
7 duty of the Cashiers and Directors of the several  
8 incorporated Banks in this State, in their respec-  
9 tive semi-annual returns to the office of the  
10 Secretary of State, to specify the amount which  
11 the President and Directors of each institution  
12 shall be indebted as principals and sureties, and  
13 also the proportion of the discounts made to  
14 stockholders as principals.

SECT. 5. *Be it further enacted,* That the  
2 Secretary of State shall prepare and cause an  
3 abstract of the returns of the several incorpor-  
4 ated Banks in this State, made to his office as  
5 required by an Act approved March fourth, one  
6 thousand eight hundred and thirty-three, to be  
7 published in the months of June and January  
8 annually, in the State paper, and such other  
9 papers as the Governor and Council may direct.

SECT. 6. *Be it further enacted,* That all  
2 Acts and parts of Acts, prohibiting the several  
3 Banks in this State from receiving in payment  
4 for debts due the Bank or otherwise, any bill  
5 or note of a less denomination than Five Dol-  
6 lars, be and the same are hereby repealed.

## BANKS AND BANKING.

SECT. 7. *Be it further enacted*, That the  
2 charters of the several Banks in this State, which  
3 are prohibited by their charters from issuing  
4 bills of a less denomination than Five Dollars,  
5 be and the same are hereby so amended as to  
6 place them on the same footing with those Banks  
7 against which no such prohibition exists.

SECT. 8. *Be it further enacted*, That this  
2 Act shall take effect and be in force as soon as  
3 it shall be approved by the Governor, and any  
4 Banking corporation which shall violate the  
5 provisions and requirements of this Act shall on  
6 conviction thereof, forfeit its charter.

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**STATE OF MAINE.**

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IN SENATE, March 9, 1838.

THIS Bill was read once, and to-morrow, ten o'clock,  
assigned for a second reading, and

ORDERED, That 500 copies of the same be printed for  
the use of the Legislature.

[Extract from the Journal.]

ATTEST :                      WILLIAM TRAFTON, *Secretary.*