

# MAINE STATE LEGISLATURE

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DOCUMENTS

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THE LEGISLATURE

OF THE

STATE OF MAINE,

DURING ITS SESSION

A. D. 1848.

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1849.

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# TWENTY-EIGHTH LEGISLATURE.

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No. 12.

HOUSE.

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## STATE OF MAINE.

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

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AN ACT to authorize the city of Portland to aid the  
construction of the Atlantic and St. Lawrence Rail  
Road.

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*Be it enacted by the Senate and House of Representa-  
tives in Legislature assembled, as follows :—*

SECTION 1. The city of Portland is hereby author-  
2 ized to loan its credit to the Atlantic and St. Law-  
3 rence Rail Road Company, in aid of the construction  
4 of their rail road, subject to the following terms and  
5 conditions.

SECT. 2. This act shall not take effect, unless it  
2 shall be accepted by the directors of said rail road  
3 company, and by the vote of the inhabitants of said

4 city, voting in ward meetings duly called, according  
5 to law; and at least two-thirds of the votes cast at  
6 such ward meetings shall be necessary for the accept-  
7 ance of the act. The returns of such ward meetings  
8 shall be made to the aldermen of the city, and by  
9 them counted and declared, and the city clerk shall  
10 make record thereof.

SECT. 3. Upon the acceptance of the act as afore-  
2 said, the city treasurer is authorized to make and  
3 issue from time to time, for the purposes contemplated  
4 in this act, the scrip of said city, in convenient and  
5 suitable sums, payable to the holder thereof, on a term  
6 of time not less than twenty, nor more than thirty  
7 years, with coupons for interest attached, payable  
8 semi-annually, or yearly, as may be agreed.

SECT. 4. When the rail road company shall have  
2 received from assessments upon the shares of the  
3 private stockholders therein, and shall have expended  
4 upon the construction of the road, and its necessary  
5 equipment, the sum of five hundred and fifty thousand  
6 dollars, the city treasurer shall then deliver to the  
7 directors of the company, the scrip aforesaid to the  
8 amount of two hundred thousand dollars. When the

9 company shall have expended that sum in the further  
10 construction and equipment of the road, and shall  
11 have received from the assessments upon the shares  
12 of private stockholders, the further amount of one  
13 hundred thousand dollars, the city treasurer shall de-  
14 liver of the scrip, a further amount of three hundred  
15 thousand dollars.

SEC. 5. When the company shall have expended in  
2 the further construction and equipment of the road,  
3 at least one half the proceeds of the scrip last named,  
4 further portions of the scrip shall be from time to time  
5 delivered thereafter, in such amounts and proportions,  
6 that the aggregate of all the scrip delivered shall at  
7 no time exceed the whole amount of the assessments  
8 paid in and expended. But the whole amount of the  
9 scrip to be issued and delivered shall never exceed  
10 one million of dollars.

SEC. 6. Before the delivery of any of the scrip, in  
2 any of the cases provided in the preceding sections,  
3 the directors of the company shall furnish satisfactory  
4 evidence to the mayor and aldermen of the city, that  
5 all the pre-requisites therein prescribed in the several  
6 cases have been respectively complied with, and shall

7 file with the city treasurer a certificate of such com-  
8 pliance, signed by the president and treasurer of the  
9 company, to which certificate they shall severally  
10 make oath. In all cases, the scrip shall bear date  
11 from the delivery thereof, and the proceeds thereof  
12 shall be applied by the directors of the company,  
13 exclusively to the construction and necessary furniture  
14 and equipment of the Atlantic and St. Lawrence  
15 Rail Road.

SEC. 7. Upon the delivery of each and every por-  
2 tion of the scrip aforesaid, the directors shall execute  
3 and deliver to the city treasurer, the bond of the  
4 company, in an equal amount, payable to the city,  
5 conditioned that the company will duly pay the inter-  
6 est on said scrip, and will provide for the reimburse-  
7 ment of the principal thereof, and hold the city harm-  
8 less on account of the issue of the same, according to  
9 the provisions of this act.

SEC. 8. The directors shall also transfer to the city,  
2 upon the delivery of any portion of the scrip as afore-  
3 said, an equal amount in the shares of the company,  
4 to be held as collateral security for the bond of the  
5 company, required to be given in such case. And

6 the shares so held as collateral shall be credited on  
7 the stock books of the company as fully paid up, and  
8 no assessments shall ever be required thereon, nor  
9 shall any dividends be paid on the same, nor any right  
10 of acting or voting at the meetings of the company  
11 be claimed or exercised by reason of said shares, so  
12 long as the same shall be held as collateral as afore-  
13 said.

SEC. 9. From and after the issue and delivery to  
2 the directors of any portion of the scrip aforesaid,  
3 the city shall have a lien upon the said rail road, and  
4 upon all the property and franchise of the company,  
5 to secure the performance of the conditions of all the  
6 bonds of the company, executed and delivered under  
7 the provisions of this act.

SEC. 10. For the purpose of providing for the  
2 reimbursement of the principal of the scrip, author-  
3 ized to be issued by this act, there shall be established  
4 a sinking fund, and commissioners shall be appointed  
5 to manage the same. One of said commissioners  
6 shall be appointed by the mayor and aldermen of the  
7 city, and one by the directors of the company, and in  
8 case of a vacancy in the place of either, the same

9 shall be supplied by the mayor and aldermen, or by  
10 the directors, respectively. Both of said commission-  
11 ers shall be appointed and qualified before the delivery  
12 to the directors of any of the scrip. The commis-  
13 sioners shall severally be sworn to the faithful dis-  
14 charge of the duties enjoined upon them by this act,  
15 in presence of the city clerk, who shall make a certi-  
16 ficate and record thereof, as in the case of the qualifi-  
17 cation of city officers. Each of the commissioners  
18 shall give a bond to the city, with satisfactory sureties,  
19 in the penal sum of ten thousand dollars, conditioned  
20 for the faithful discharge of his duty as commissioner.  
21 They shall receive such compensation as may be  
22 established by the directors, which shall be paid to  
23 them by the company, and shall not be diminished  
24 during their continuance in office.

SEC. 11. Whenever the directors shall receive any  
2 portion of the scrip, authorized as aforesaid to be  
3 delivered to them, they shall pay to the city treasurer,  
4 two per cent. of the amount of the scrip so delivered,  
5 which amount shall be, by the city treasurer, placed to  
6 the credit of the commissioners of the sinking fund,  
7 and shall constitute a part of said fund. The direc-



8 tors shall also, annually, in the month of April, pay to  
9 the city treasurer, from the income of the road, one  
10 per cent. of the whole amount of scrip which shall  
11 have been, before that time issued and delivered, and  
12 shall be then outstanding; but after the expiration of  
13 five years from the time of the delivery and receipt  
14 of the first portion of scrip as aforesaid, the said  
15 annual payments from the income of the road shall be  
16 increased to one and a half per cent. of the amount  
17 of the scrip, then outstanding as aforesaid, and the  
18 said annual payments of one per cent. for five years,  
19 and one and a half per cent. annually thereafter, shall  
20 be successively placed to the credit of the commis-  
21 sioners of the sinking fund, and shall constitute a part  
22 of said fund.

SEC. 12. The commissioners shall have the care  
2 and management of all the moneys and securities at  
3 any time belonging to said fund; but the moneys  
4 uninvested, and the securities shall be in the custody  
5 of the city treasurer, who shall be, by virtue of his  
6 office, treasurer of the sinking fund, and shall be res-  
7 ponsible, on his official bond to the city, for the safe  
8 keeping of the moneys and securities of the fund.

9 He shall pay out and deliver any of the said moneys  
10 and securities only upon the warrant of the commis-  
11 sioners.

SEC. 13. The commissioners shall from time to  
2 time, at their discretion invest the moneys on hand,  
3 securely, so that they shall be productive, and the  
4 same may be loaned on mortgage of real estate, or to  
5 any county, or upon pledge of the securities of any  
6 county in this state, or invested in the stock of this  
7 state, or of the United States, or in the stock of any  
8 rail road company in New England, whose road is  
9 completed, and whose capital has been wholly paid  
10 in. Any portion of the fund may be invested in the  
11 city scrip authorized by this act, and such scrip shall  
12 not thereby be extinguished, but shall be held by the  
13 commissioners, like their other investments, for the  
14 purposes of the fund. An amount not exceeding ten  
15 per cent. of the fund may be loaned on pledge of the  
16 stock of any bank, or of any stock insurance com-  
17 pany in this state. And the commissioners may from  
18 time to time sell and transfer any of said securities.

SEC. 14. The sinking fund, and all the sums which  
2 shall be added thereto by accumulation upon the

3 investments thereof, shall be reserved and kept invio-  
4 late for the redemption and reimbursement of the  
5 principal of the said scrip at the maturity thereof, and  
6 shall be applied thereto by the commissioners.

SEC. 15. Any of the shares in the stock of the rail  
2 road company, held by the city as collateral, may be  
3 sold and transferred by direction of the commissioners  
4 of the sinking fund, with the consent of the directors  
5 of the rail road company, whenever an exchange  
6 thereof can be advantageously made for any of the  
7 city scrip, authorized by this act, or whenever the said  
8 scrip can be advantageously purchased with the pro-  
9 ceeds of any such sale of such collateral shares. And  
10 the scrip so purchased or taken in exchange, shall be  
11 thereupon cancelled and extinguished, and the amount  
12 thereof shall be endorsed on the respective bonds of  
13 the rail road company given on the issue and delivery  
14 of such scrip. But no part of the sinking fund, or of  
15 its accumulations shall be applied at any time or in  
16 any manner to the redemption and extinguishment of  
17 the scrip before maturity thereof.

SEC. 16. If the directors of the rail road company  
2 shall, at any time, fail to pay to the city treasurer, for

3 the sinking fund, the amount aforesaid of one per  
4 cent. or of one and a half per cent. required to be paid  
5 into the sinking fund, out of the income of the road,  
6 the commissioners are authorized, at their discretion,  
7 upon such notice to the company as they shall deem  
8 suitable, to sell so many of such collateral shares as  
9 may be necessary to produce the amount of such de-  
10 ficiency, and the proceeds of such sale shall thereupon  
11 be paid into the sinking fund, and shall be applied  
12 to the purposes thereof. And all conveyances and  
13 transfers of such collateral shares shall be made by the  
14 city treasurer under the direction of the commissioners  
15 of the fund, in pursuance of the provisions of this act.

SEC. 17. The commissioners shall keep a true  
2 record of all their proceedings and an account of  
3 all the sums paid into the fund, and of the invest-  
4 ments made of the same, and shall, annually, in the  
5 month of July, report to the mayor and aldermen,  
6 and to the directors of the rail road company, their  
7 proceedings for the year, the amount and condition  
8 of the fund, and the income of the several parts  
9 thereof. And their records, and the accounts of the  
10 fund, and the securities belonging thereto, shall at all

11 times be open to inspection by such committee as may  
12 be appointed for that purpose by the mayor and alder-  
13 men, or by the directors of the company.

SEC. 18. To secure the faithful discharge of the  
2 several trusts confided to the said commissioners under  
3 this act, the supreme judicial court is hereby empow-  
4 ered, upon the complaint of the mayor and aldermen,  
5 or of the directors of the rail road company, against  
6 the said commissioners, or either of them, concerning  
7 any of said trusts and duties, by summary process,  
8 according to the course of proceedings in equity, to  
9 hear and adjudge upon the matter of such complaint,  
10 and to issue thereon, any suitable writ or process, and  
11 make any proper decree to compel the appropriate  
12 discharge and performance of such trusts and duties,  
13 and to remove the said commissioners, or either of  
14 them; and in case of such removal, the vacancy shall  
15 be immediately supplied, as provided in the tenth  
16 section of this act.


SEC. 19. If the said sinking fund with its accumu-  
2 lations, shall at any time exceed the amount of the  
3 scrip unredeemed and outstanding, all such excess  
4 shall be annually paid over to the rail road company;

5 and if any surplus of the fund shall remain after the  
6 redemption and reimbursement of all the scrip, such  
7 surplus shall be paid over to the company.

SEC. 20. This act shall take effect and be in force,  
2 from and after its approval by the governor, so far as  
3 to empower the directors of the rail road company,  
4 and the inhabitants of the city to act upon the ques-  
5 tion of accepting the same, as provided in the second  
6 section of this act. And the several ward meetings  
7 of the inhabitants for that purpose, shall be called and  
8 holden within thirty days after such approval. And  
9 if the act shall be accepted as aforesaid, then, after  
10 such acceptance, and record thereof, all the parts of  
11 the act shall take effect and be in full force.

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## STATE OF MAINE.



HOUSE OF REPRESENTATIVES, June 27, 1848.

ORDERED, That seven hundred copies of the foregoing Bill, reported by Mr. Appleton of Alfred, from the joint select committee to which was referred the petition of the Mayor, Aldermen and Common Council of the city of Portland, and also sundry petitions in aid of the same, for authority to loan the credit of said city in aid of the construction of the Atlantic and St. Lawrence Rail Road, be printed for the use of the Legislature.

SAMUEL BELCHER, *Clerk.*