

MAINE STATE LEGISLATURE

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(EMERGENCY)

ONE HUNDRED AND THIRD LEGISLATURE

Legislative Document

No. 948

H. P. 676

House of Representatives, February 16, 1967

Referred to Committee on Legal Affairs. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Conley of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-SEVEN

AN ACT Revising the Railroad Workers Credit Union of Maine.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment of the Legislature unless enacted as emergencies ; and

Whereas, the Railroad Workers Credit Union, having been incorporated in 1927 by chapter 131 of the private and special laws, is in need of revision to prevent undue hardship on its many shareholders, and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine, and require the following legislation as immediately necessary for the preservation of the public peace, health and safety ; now, therefore,

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

Sec. 1. P. & S. L., 1927, c. 131, § 3, repealed and replaced. Section 3 of chapter 131 of the private and special laws of 1927 is repealed and the following enacted in place thereof :

Sec. 3. Stockholders limited ; bylaws to be approved by Bank Commissioner ; capital stock. No person, unless employed by the Maine Central Railroad Company or by the Portland Terminal Company or by both or their subsidiaries, affiliates and associates, both of said companies being organized and existing under the laws of the State of Maine, shall become or continue to be a shareholder or member in said corporation, except husband, wife, father, mother, sister, brother, son or daughter of such employee who may participate in joint share accounts as provided herein and who may participate as borrowers from

the credit union as determined by a vote of the majority of the board of directors. No such person shall be elected to membership until he has subscribed for at least one share, paid the initial installment thereon and the entrance fee, if any. Nothing set forth shall prevent the creation of joint share and deposit accounts established in accordance with the bylaws of the corporation, if not in conflict with state laws. The bylaws of the corporation shall, subject to the approval of the Bank Commissioner, contain provisions to carry into effect this section. The capital stock of the said corporation shall be unlimited and shall consist of the payments that have been made to it by the several members thereof owning shares. Shares of the capital stock may be subscribed and paid for in such manner as the bylaws may prescribe, except that the par value of the shares shall not exceed \$5. The amount of shares a person shall own may be determined from time to time by a majority vote of the board of directors. Said corporation shall have a lien on the shares and deposits of a member for any sum due the corporation from such member, or for any loan endorsed by him. Said corporation may charge an entrance fee as may be determined by the board of directors, not to exceed 25c.

Sec. 2. P. & S. L., 1927, c. 131, § 6, repealed and replaced. Section 6 of chapter 131 of the private and special laws of 1927 is repealed and the following enacted in place thereof:

Sec. 6. Deposits limited to shareholders; loans or investment funds; interest. Deposits shall not be received except from shareholders and the total deposits of any shareholder may be determined from time to time by a majority vote of the board of directors. Deposits of shareholders and payments for shares may be loaned to shareholders in the manner provided in the bylaws of the corporation, or deposited in savings banks and trust companies incorporated under the laws of this State, or in national banks doing business in this State, or invested in securities legal for savings banks of this State. Deposits shall bear interest at such rate and under such conditions as voted by the directors.

Sec. 3. P. & S. L., 1927, c. 131, § 13, repealed and replaced. Section 13 of chapter 131 of the private and special laws of 1927 is repealed and the following enacted in place thereof:

Sec. 13. Dividends; procedure in declaring. At a regular or special meeting of the board of directors in January of each year, by a majority vote of the board, a dividend from the earnings or surplus of the corporation may be declared. In no case shall the dividend reduce the amounts required to be set apart to the guaranty fund. Dividends due to a member shall be credited to his share account.

The method of payment and that portion of the shares on which dividend is to be paid shall be as provided for in the bylaws.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.