

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIFTH LEGISLATURE

Legislative Document

No. 1383

S. P. 495

In Senate, March 17, 1971

Referred to Committee on State Government. Sent down for concurrence and ordered printed.

HARRY N. STARBRANCH, Secretary

Presented by Senator Clifford of Androscoggin.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-ONE

RESOLUTION, Proposing an Amendment to the Constitution to Permit Insurance of Payments on Mortgage Loans Made for Service Enterprises and the Preservation of Certain Business Enterprises.

Constitutional amendment. Resolved: Two-thirds of each branch of the Legislature concurring, that the following amendment to the Constitution of this State be proposed:

Constitution, Article IX, Section 14-A, amended. Section 14-A of Article IX of the Constitution, as amended, is further amended to read as follows:

Section 14-A. Permits insuring payment of industrial loans secured by real estate and personal property by legislative Act. For the purposes of fostering, encouraging and assisting the physical location, settlement ~~and~~, resettlement **and preservation** of industrial, manufacturing, fishing, ~~and~~ agricultural **and service** enterprises within the State, the Legislature by proper enactment may insure the payment of mortgage loans on the real estate and personal property within the State of such industrial, manufacturing, and fishing, ~~and~~ agricultural **and service** enterprises not exceeding in the aggregate \$80,000,000 in amount at any one time and may also appropriate moneys and authorize the issuance of bonds on behalf of the State at such times and in such amounts as it may determine to make payments insured as aforesaid. For the purposes of this section, a documented fishing vessel shall be construed as real estate.

Form of question and date when amendment shall be voted upon. Resolved: That the aldermen of cities, the selectmen of towns and the assessors of the several plantations of this State are empowered and directed to notify the inhabitants of their respective cities, towns and plantations to meet

in the manner prescribed by law for calling and holding biennial meetings of said inhabitants for the election of Senators and Representatives at the next general election in the month of November or special state-wide election on the Tuesday following the first Monday of November following the passage of this resolution to give in their votes upon the amendment proposed in the foregoing resolution, and the question shall be:

“Shall the Constitution be amended as proposed by a resolution of the Legislature Permitting Insurance of Payments on Mortgage Loans Made for Service Enterprises and for Preservation of Certain Business Enterprises?”

The inhabitants of said cities, towns and plantations shall vote by ballot on said question, and shall indicate by a cross or check mark placed against the words “Yes” or “No” their opinion of the same. The ballots shall be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the office of the Secretary of State in the same manner as votes for Governor and Members of the Legislature, and the Governor and Council shall review the same, and if it shall appear that a majority of the inhabitants voting on the question are in favor of the amendment, the Governor shall forthwith make known the fact by his proclamation, and the amendment shall thereupon, as of the date of said proclamation, become a part of the Constitution.

Secretary of State shall prepare ballots. Resolved: That the Secretary of State shall prepare and furnish to the several cities, towns and plantations ballots and blank returns in conformity with the foregoing resolution accompanied by a copy thereof.

STATEMENT OF FACT

The purpose of this resolution is to authorize the Maine Industrial Building Authority to insure mortgage loans to selected service enterprises and to existing—as compared to new—business enterprises which are fundamentally sound but require a rearrangement of finances in order to preserve and strengthen the enterprise.

Recent studies show that nationwide employment in service industries has been growing at a more rapid rate than manufacturing employment and that this trend will accelerate in the future. In recent years this same trend has become apparent in Maine, and Maine should be prepared to encourage the development of selected service industries capable of bringing significant benefits to the State.

With respect to preservation of certain existing enterprises, the Attorney General has rendered an opinion confirming that MIBA has authority to insure first mortgage loans for this purpose under the Constitution and statutes as now in effect. Therefore, the amendment in this respect is for clarifying purposes only.