

MAINE STATE LEGISLATURE

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FIFTY-NINTH LEGISLATURE.

HOUSE.

No. 117.

STATE OF MAINE.

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

AN ACT to amend chapter seventy-four of the public laws of the year one thousand eight hundred and seventy-eight, entitled "an act in relation to the insolvent laws of Maine."

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

SECTION 1. Section fifty-eight of chapter seventy-four of the public laws of eighteen hundred and seventy-eight, is hereby amended by adding at the end of said section the following words:

Whenever any city, town or plantation, shall be indebted to an amount exceeding forty per cent. of its valuation, shall produce an agreement for a composition of such indebtedness, signed by an

9 alleged majority in number of its creditors whose
10 debts shall each exceed the sum of fifty dollars,
11 and by creditors alleged to be holders of three-
12 fourths of all its indebtedness, of whom a major
13 part both in number and amount shall not be in-
14 habitants of such city, town or plantation, the
15 judge shall order notice of a meeting of the credi-
16 tors of such city, town or plantation, to be pub-
17 lished in such newspaper or newspapers as the
18 judge shall direct, the first publication to be not
19 less than fourteen days prior to the time appointed
20 for said meeting, or at any subsequent meeting of
21 said creditors, or upon appeal, it shall appear and
22 be determined that such agreement is signed by
23 the aforesaid proportions of the creditors of such
24 city, town or plantation, and that a major part both
25 in numbers and amount of the creditors signing
26 said agreement are not inhabitants of such city,
27 town or plantation, and that said agreement is made
28 and signed in good faith and that the composition
29 therein provided is just and for the best interest of
30 all parties interested, and that said city, town or
31 plantation, has either paid or secured, or is ready
32 to pay, secure or compromise with, all its creditors,
33 according to the terms of said agreement, he, or in

34 case of an appeal, the court of appeal, shall make
35 an order, in either case under the seal of the court
36 and under the hand of the judge, and cause the
37 same to be entered of record, and shall give to such
38 city, town or plantation a certificate thereof, and
39 an order that thereafterwards no assessment shall
40 be made or required to pay any greater per centage
41 than that stipulated in said agreement, nor to pay
42 the same in any other manner than as stipulated
43 in said agreement, unless otherwise determined by
44 said city, town, or plantation, on any debt of such
45 city, town, or plantation, contracted prior to the
46 date of said order, and thereafterwards no execu-
47 tion or warrant of distress shall be enforced against
48 the goods and chattels of the inhabitants of such
49 city, town, or plantation, or the real estate situated
50 therein, nor shall the property of any inhabitant
51 thereof be taken to pay any debt of said city, town
52 or plantation, contracted prior to the date of said
53 order; *provided*, said city, town or plantation shall
54 on proper demand perform the stipulations in said
55 agreement and pay or secure to all its prior credi-
56 tors, whether they shall have signed said agree-
57 ment or not, the same per centage stipulated in
58 said agreement, in the manner therein stipulated,

59 or shall tender performance thereof in such man-
60 ner and time as the judge or court shall order. In
61 all proceedings by virtue of this act commenced
62 before the first day of April, in the year eighteen
63 hundred and eighty-one, the valuation upon which
64 the indebtedness of such city, town or plantation
65 shall be based, shall be the valuation of such city,
66 town or plantation for the year eighteen hundred
67 and seventy-nine, but in all such proceedings com-
68 menced after said first day of April, the next pre-
69 ceding state valuation shall be the basis for such
70 per centage. None of the provisions of this act
71 shall apply to or embrace any sums due from such
72 city, town or plantation, for state or county taxes,
73 or any unliquidated claims or any account for cur-
74 rent expenses of such city, town or plantation, for
75 the year or years in which the proceedings herein
76 provided for shall be had.

SECT. 2. This act shall take effect when approved.

STATE OF MAINE.

In HOUSE OF REPRESENTATIVES, }
March 12, 1880. }

Reported by Mr. STROUT from Committee on Judiciary, and
ordered printed under Rule.

ORAMANDAL SMITH, *Clerk.*