

MAINE STATE LEGISLATURE

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NEW DRAFT.

Sixty-Ninth Legislature.

SENATE.

No. 121

STATE OF MAINE.

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

AN ACT to regulate the Increase of Capital Stock by Street
Railroad Companies.

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

Section 1. Any street railroad corporation for the purpose
2 of building such extensions as it now is or may hereafter be
3 authorized to build, or of building power stations or other
4 necessary buildings, or of abolishing grade crossings, or of
5 making permanent improvements, or of paying its floating
6 debt, or of paying its funded debt, or for the payment of
7 money borrowed for any lawful purpose, or for the purchase
8 of shares of the capital stock of any street railroad corpora-

9 tion whose railroad is now or hereafter leased to or operated
10 by it, or for the purchase of shares of the capital stock of any
11 street railroad corporation of which capital stock it owns a
12 majority, or for other necessary and lawful purposes, may,
13 from time to time, with the approval of the railroad commis-
14 sioners as hereinafter provided, increase its capital stock
15 beyond the amount now fixed by law, provided such increase
16 shall first be authorized by vote of a majority of the stock
17 present or represented at a legal meeting of the corporation
18 specially notified and called for the purpose, and, provided,
19 further, that such increases shall not in all, exceed the present
20 amount of the capital stock of such corporation as now auth-
21 orized by law, and in no event shall such increases exceed
22 five hundred thousand dollars.

Sect. 2. Upon petition of the directors of such corporation
2 to the board of railroad commissioners, the amount of such
3 increase after such notice by publication or otherwise as the
4 commissioners may order, and after hearing, shall be deter-
5 mined by such commissioners, who shall within thirty days
6 after final hearing of said petition, file in the office of the sec-
7 retary of State, a certificate showing the amount of increase
8 authorized, if any, and the purposes for which the proceeds
9 of said new stock may be used; and the corporation shall not
10 apply such increase or the proceeds thereof to any purpose
11 not specified in said certificate and may be enjoined from so
12 doing by any justice of the supreme judicial court upon appli-
13 cation of the board or of any interested party.

Sect. 3. Any member of the board of directors or any
2 treasurer or other officer or agent of such corporation who

3 knowingly votes to authorize the issue of, or knowingly
4 signs, certifies or issues stock authorized by this act, contrary
5 to its provisions, or who knowingly votes to authorize the
6 application of, or knowingly applies the proceeds of said
7 stock contrary to the provisions of this act, or who knowingly
8 votes to assume or incur, or who knowingly assumes or incurs
9 in the name or behalf of such corporation, any debt or liabil-
10 ity except for the legitimate purposes of the corporation, or
11 who pays, votes to pay, or promises to pay any dividend
12 upon stock so authorized, not actually and legally earned in
13 good faith, or who knowingly and wilfully misstates any
14 material fact to procure the issue or sale of such stock, shall
15 be punishable by a fine not exceeding one thousand dollars,
16 or by imprisonment not exceeding one year, or by both fine
17 and imprisonment.

Sect. 4. Before issuing any of said stock, the directors of
2 such corporation shall cause notice to be mailed to each stock-
3 holder to his address, of record upon the stock books offer-
4 ing to each stockholder his pro rata proportion of such stock
5 for thirty days at par, and such stockholders shall during said
6 thirty days have the right to so take and subscribe for said
7 stock at par in the proportion of their several respective hold-
8 ings.

Sect. 5. No corporation exercising the privileges of this
2 act shall have the right to run over the tracks of another street
3 railroad without its consent or without legislative consent
4 hereafter granted.

Sect. 6. This act shall take effect when approved.

STATE OF MAINE.

IN SENATE, March 9, 1899.

Reported by Mr. HEALD from Committee on Railroads, Telegraphs and Expresses, and laid on table to be printed under joint rules.

KENDALL M. DUNBAR, *Secretary*.