

MAINE STATE LEGISLATURE

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NEW DRAFT

SEVENTY-EIGHTH LEGISLATURE

HOUSE

NO. 364

House of Representatives, Feb. 21, 1917.

Printed under joint rules.

W. R. ROIX, Clerk.

STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND SEVENTEEN

AN ACT to permit savings banks to invest in certain corpora-
tion bonds.

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

Amend Section 27, Chapter 52, sub-section third, of the
2 Revised Statutes, by adding thereto the following para-
3 graphs, which shall be known as paragraphs "i" and "j":

4 'i. In the first mortgage bonds of any public service cor-
2 poration located, wholly or in part, in the states, other than
3 Maine, named in paragraph "f," engaged in the business of
4 producing and distributing electric light and power, when

5 they otherwise comply with the provisions specified in para-
6 graphs "f" and "g"; provided, that the average gross income
7 of said corporation for the three years next preceding such
8 investment shall have been not less than two hundred thou-
9 sand dollars for each year, and the average net income of
10 said corporation for the same period shall have been not less
11 than twice interest charges on the bonds outstanding secured
12 by such mortgage, and all prior liens; and further provided
13 that such net income for the last preceding year shall have
14 been not less than one and one-half times the interest
15 charges on all the interest bearing indebtedness of the cor-
16 poration.

The net income of a company, as described in this section,
2 shall be its net earnings and income derived from the prop-
3 erty covered by the mortgage in question, after payment of
4 all operating expenses, maintenance charges, repairs, re-
5 newals, rentals and taxes and all guaranteed interest and
6 guaranteed dividends paid by or due from it.

Satisfactory proof of such gross and net earnings must be
2 furnished to the bank commissioner and certified by him in
3 the manner provided in paragraph "f" for electric railroads,
4 before the bonds shall become a legal investment.

'j. In the first mortgage bonds of any public service cor-
2 poration, combining business of an electric railroad, light
3 and power company, and an artificial gas company, or any
4 two of them, which otherwise complies with the provisions

5 specified in paragraphs “f” and “g” and “i”; provided the
6 average gross income of such corporation for the three years
7 next preceding shall have been at least three hundred thou-
8 sand dollars per annum.’