

MAINE STATE LEGISLATURE

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SENATE AMENDMENT "A".

SEVENTY-EIGHTH LEGISLATURE

SENATE

NO. 439

In Senate, April 5, 1917.

Presented by Mr. Baxter of Sagadahoc and tabled by Sen. Stanley of Oxford for printing.

W. E. LAWRY, Secretary.

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 railroad
bonds.

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

Section 1. Paragraph b, sub-section third, section 27, of
2 chapter 52, of the revised statutes is hereby amended by
3 adding thereto the following words:

‘and in the underlying mortgage bonds other than first
2 mortgage bonds and the consolidated mortgage bonds and
3 refunding mortgage bonds of any completed railroads or
4 ganized under the laws of any state of the United States

5 and located within the United States, and in the first mort-
6 gage bonds of any completed railroads of any other state
7 of the United States; provided, however, that such under-
8 lying, consolidated and refunding mortgage bonds and such
9 first mortgage bonds of railroads other than those of said
10 named states shall be secured by liens upon a completed
11 railroad of standard gauge and of not less than one hun-
12 dred miles in length exclusive of sidings and shall be of
13 any of the several classes established by paragraph "c", so
14 that said paragraph shall read as follows:

 'b: In the first mortgage bonds of any completed rail-
2 roads of the states of New Hampshire, Vermont, Massa-
3 chusetts, Rhode Island, Connecticut, New York, New Jer-
4 sey, Pennsylvania, Maryland, Ohio, Indiana, Kentucky,
5 Michigan, Wisconsin, Minnesota, Iowa, Illinois, Missouri,
6 Kansas and Nebraska, and in the underlying mortgage
7 bonds other than first mortgage bonds and the consolidated
8 mortgage bonds and refunding mortgage bonds of any com-
9 pleted railroads organized under the laws of any state of
10 the United States and located within the United States, and
11 in the first mortgage bonds of any completed railroads of
12 any other state of the United States; provided, however,
13 that such underlying, consolidated and refunding mortgage
14 bonds and such first mortgage bonds of railroads other
15 than those of said named states shall be secured by liens
16 upon a completed railroad of standard gauge and of not
17 less than one hundred miles in length exclusive of sidings

18 and shall be of any of the several classes established by
19 paragraph "c".

Sect. 2. Paragraph "c" of sub-section third is hereby
2 stricken out and in place thereof insert the following.

'c: First mortgage bonds, and underlying mortgage bonds
2 other than first mortgage bonds, provided, that the net earn-
3 ings for each of the three fiscal years next preceding the
4 time of making the investment shall have been not less than
5 one and three-fourths times, and the gross operating rev-
6 enues shall have been not less than five times all fixed
7 charges for interest and rentals; and provided, further,
8 that the mortgage or mortgages securing any issue or is-
9 sues of such underlying bonds is or are prior to and to be
10 refunded by a mortgage which covers a mileage at least
11 twenty-five per centum greater than is covered by any prior
12 mortgage which it is destined to refund and that such re-
13 funding mortgage is a first mortgage upon that part of
14 the mileage covered by it which is in excess of, and dis-
15 tinct from, the mileage covered by all prior mortgages.

Consolidated mortgage bonds and refunding mortgage
2 bonds; provided, that the net earnings for each of the three
3 fiscal years next preceding the time of making the invest-
4 ment shall have been not less than one and three-fourths
5 times, and the gross operating revenues shall have been not
6 less than five times all fixed charges for interest and rent-
7 als; and provided, further, that the mortgage by which an
8 issue of any such bonds is secured covers a mileage at

9 least twenty-five per centum greater than is covered by
10 any prior mortgage which is destined to refund and is a
11 first mortgage upon that part of the mileage covered by it
12 which is in excess of and distinct from the mileage covered
13 by all prior mortgages.'

Sect. 3. Amend paragraph "e" of said chapter and sec-
2 tion by striking out the word "street" in the first line of
3 said paragraph, and inserting in place thereof the word
4 'electric', so that said paragraph as amended shall read as
5 follows:

'e: Electric railroad companies are not railroad companies
2 within the meaning of the foregoing clauses of this sec-
3 tion.