

# MAINE STATE LEGISLATURE

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EIGHTY-THIRD LEGISLATURE

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Senate Document

No. 164

S. P. 387

In Senate, March 2, 1927.

Referred to Committee on Public Utilities and 500 copies ordered printed. Sent down for concurrence.

ROYDEN V. BROWN, Secretary.

Presented by Senator Maher of Kennebec.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD ONE THOUSAND NINE  
HUNDRED AND TWENTY-SEVEN

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AN ACT to Amend Section Thirty-seven of Chapter Fifty-five of the Revised Statutes as Amended by Chapter One Hundred Twenty-eight of the Public Laws of Nineteen Hundred and Nineteen and as Further Amended by Chapters Seventy-six and One Hundred Thirty-three of the Public Laws of Nineteen Hundred and Twenty-five and Relating to the Approval of Stocks, Bonds and Notes.

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

Section thirty-seven of chapter fifty-five of the revised  
2 statutes as amended by chapter one hundred twenty-eight  
3 of the public laws of nineteen hundred and nineteen as  
4 amended by chapters seventy-six and one hundred thirty-  
5 three of the public laws of nineteen hundred and twenty-

6 five, is hereby further amended by striking out the entire  
7 section as amended and inserting in place thereof the fol-  
8 lowing:

'Sect. 37. Any public utility now organized and existing  
2 or hereafter incorporated under and by virtue of the laws  
3 of the state of Maine and doing business in the state may  
4 issue stocks, bonds which may be secured by mortgages on  
5 its property, franchises or otherwise, notes or other evi-  
6 dences of indebtedness, payable at periods of more than  
7 twelve months after the date thereof, when necessary for  
8 the acquisition of property to be used for the purpose of  
9 carrying out its corporate powers, the construction, com-  
10 pletion, extension or improvement of its facilities, or for  
11 the improvement or maintenance of its service, or for the  
12 discharge or lawful refunding of its obligations, or to reim-  
13 burse its treasury for moneys used for the acquisition of  
14 property, the construction, completion, extension or improve-  
15 ment of its facilities, or for the discharge or lawful refund-  
16 ing of its obligations, and which actually were expended  
17 from income or from other moneys in the treasury of the  
18 corporation not secured by or obtained from the issue of  
19 stocks, bonds, notes or other evidences of indebtedness of  
20 such corporation, or for such other purposes as may be  
21 authorized by law; provided and not otherwise, that upon  
22 written application, setting forth such information as the  
23 commission may require, there shall have been secured from  
24 the commission an order authorizing such issue and the  
25 amount thereof and stating that in the opinion of the com-

26 mission the sum of the capital to be secured by the issue  
27 of said stocks, bonds, notes or other evidences of indebted-  
28 ness is required in good faith for purposes enumerated in  
29 this section; but the provisions of this chapter shall not  
30 apply to any stocks or bonds or other evidences of indebt-  
31 edness heretofore lawfully authorized and issued; provided,  
32 however, that the commission may at the request of any  
33 public utility approve the issue of any stocks or bonds here-  
34 tofore authorized but not issued. For the purpose of en-  
35 abling the commission to determine whether it shall issue  
36 such an order, the commission shall make such inquiries  
37 for investigation, hold such hearings and examine such wit-  
38 nesses, books, papers, documents or contracts as it may  
39 deem of importance in enabling it to reach a determination.  
40 No order of the commission authorizing the issue of any  
41 stocks, bonds, notes, or other evidences of indebtedness shall  
42 limit or restrict the powers of the commission in determin-  
43 ing and fixing any rate, fare, toll, charge, classification,  
44 schedule, or joint rate as provided in this chapter; pro-  
45 vided, however, that no public utility shall be required to  
46 apply to the commission for authority to issue stocks, bonds,  
47 notes or other evidences of indebtedness for the acquisition  
48 of property, for the purposes of carrying out its corporate  
49 powers, the construction, completion, extension or improve-  
50 ment of its facilities, or the improvement or maintenance  
51 of its service outside the state, and this proviso shall apply  
52 also to the following section.

‘Without in any way restricting the general language here-  
2 of, this section shall be construed to authorize any municipi-  
3 pal or quasi municipal corporation included within this chap-  
4 ter to issue, upon vote of its trustees or similar governing  
5 board, bonds, notes or other evidences of indebtedness for  
6 the purposes herein specified and subject to the approval  
7 of the commission as herein provided. The trustees or sim-  
8 ilar governing boards of any such corporations may issue  
9 notes or other evidences of indebtedness payable at periods  
10 of less than twelve months after the date thereof when  
11 necessary to carry out the purposes of such corporations.’