

MAINE STATE LEGISLATURE

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SPECIAL SESSION

E I G H T Y - S I X T H L E G I S L A T U R E

Legislative Document

No. 9

S. P. 9

In Senate, Nov. 14, 1933.

ROYDEN V. BROWN, Secretary.

Presented by Senator Viles of Kennebec.

S T A T E O F M A I N E

IN THE YEAR OF OUR LORD ONE THOUSAND NINE HUNDRED
AND THIRTY-THREE

**AN ACT to Amend the Law Relating to Acquiring of Stocks, Bonds and
Other Securities by Savings Banks, Institutions for Savings, Trust
Companies and Loan and Building Associations.**

Emergency Preamble. Whereas, Congress passed an Act, approved June 13, 1933, entitled Home Owners' Loan Act of 1933, for the purpose of providing emergency relief with respect to home mortgage indebtedness, to refinance home mortgages, and to extend relief to the owners of homes who are unable to amortize their debt elsewhere; and,

Whereas, loan and building associations and trust companies appear to have no authority under the existing laws to accept in exchange for mortgages bonds issued by the Home Owners' Loan Corporation created under authority of the Home Owners' Loan Act of 1933, and

Whereas, such lack of authority is impeding the progress of the work of the Home Owners' Loan Corporation in the state of Maine, and preventing the Home Owners' Loan Corporation from saving homes in accordance with the intent and purposes of the Act of Congress, and

Whereas, in the judgment of the Legislature, these facts create an emergency under the meaning of section 16 of Article XXXI of the Constitution of Maine, and require the following legislation as immediately necessary for the preservation of the public peace, health and safety,

Now, therefore,

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

R. S. c. 57, § 28, amended. Section 28 of chapter 57 of the revised statutes is hereby amended to read as follows:

'Sec. 28. May acquire and hold stocks, bonds and other securities not authorized by law, to avoid loss. Savings banks ~~and~~ institutions for savings, **loan and building associations, trust companies organized under provisions of this chapter,** may acquire and hold stocks, bonds, and other securities not authorized by law, hereafter acquired in settlements and reorganizations and accepted to reduce or avoid loss on defaulted loans and investments held by said banks, ~~and~~ institutions, **associations and trust companies,** and may continue to hold such stocks, bonds, and other securities heretofore so acquired, and all other investments lawfully acquired, and shall not be obliged to sell or dispose of the same except at such times and in such manner as will prevent unnecessary loss or embarrassment to the business of the bank, ~~or~~ institution, **association or trust company.'**

Emergency Clause. In view of the emergency as set forth in the above preamble, this Act shall take effect when approved.