

MAINE STATE LEGISLATURE

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

Legislative Document

No. 286

S. P. 214

In Senate, February 2, 1939.

Referred to Committee on Judiciary and sent down for concurrence. 500 copies ordered printed.

ROYDEN V. BROWN, Secretary.

.Presented by Senator Tompkins of Aroostook.

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

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
THIRTY-NINE

AN ACT Relating to the Emergency Municipal Finance Board.

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

P. L., 1933, c. 284, amended. Chapter 284 of the public laws of 1933 as amended by chapter 233 of the public laws of 1937 is hereby further amended by adding thereto a new section to be numbered 10 and to read as follows:

‘Sec. 10. May bring bill in equity; notice. If the commissioner or commissioners in charge of the affairs of any such city, town or plantation are of the opinion that said city, town or plantation has incurred, prior to the date on which the administration of the affairs of said city, town or plantation were taken over by said board, debts and obligations in excess of the debt limit fixed by the constitution of the state for such city, town or plantation, and that but for the provisions of section 7 said city, town or plantation would be subjected to a multiplicity of suits, said commissioner or commissioners may bring in the name of the inhabitants of said city, town or plantation a bill in equity in the superior or supreme judicial court in the county in which said city, town or plantation is located, in term time or in vacation against all of the known persons, firms or corporations holding any debts or obligations against the inhabitants of said city, town or plan-

tation, to have the validity of all the debts and obligations of said city, town or plantation therein determined.

The attorney-general shall appear for and on behalf of the petitioner in such proceedings and the expense thereof shall be paid from any funds in the hands of said commissioner or commissioners belonging to said city, town or plantation. The court may fix a time within which all persons, firms or corporations holding claims or demands against the inhabitants of such city, town or plantation, shall file their claim for adjudication of its validity as an obligation of said city, town or plantation. The court shall also order public notice to creditors of the inhabitants of the city, town or plantation to file their claims within the time specified, by publication in a newspaper published or printed in the county in which said city, town or plantation is located, and if no newspaper is published or printed in said county, then in the state paper, for at least three successive weeks, the last publication to be at least 30 days before the final date set by the court for filing claims against the inhabitants of said city, town or plantation, and the court may also order such additional notice to be given as in its discretion may be proper and necessary.

After such notice has been given and before the date for filing claims against the inhabitants of said city, town or plantation has expired, the court shall fix the time for hearing upon the claims so filed, which hearing may be adjourned from time to time, to determine the validity of the obligation and the amount thereof. Any party grieved by the finding of said court may appeal to the next term of the superior court to be held in the county where such city, town or plantation is located. The judgment of the single justice shall be binding upon all parties unless appealed from as aforesaid. All obligations determined by said court not to be valid claims against the inhabitants of said city, town or plantation shall be forever barred in any action against the inhabitants of said city, town or plantation and the finding of the court may be pleaded as a bar to any action brought upon said claim or claims. All indebtedness adjudicated to be valid against the inhabitants of said city, town or plantation by the finding of the single justice or on appeal, if such appeal is taken by either party, shall be thereafter considered as a valid outstanding indebtedness against the inhabitants of said city, town or plantation.'