

MAINE STATE LEGISLATURE

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

Legislative Document

No. 823

S. P. 292

In Senate, February 18, 1953

Referred to the Committee on Business Legislation. Sent down for concurrence and ordered printed.

CHESTER T. WINSLOW, Secretary

Presented by Senator Tabb of Kennebec.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FIFTY-THREE

AN ACT Permitting Savings Banks to Invest in Certain Preferred Stocks.

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

R. S., c. 55, § 38, sub-§ XXVII, additional. Section 38 of chapter 55 of the revised statutes, as amended, is hereby further amended by adding at the end thereof a new subsection to be numbered XXVII, to read as follows:

'XXVII. In the preferred stocks of any corporation doing business anywhere in the United States, at least 75% of whose income is derived from the operation of an electric light and power business, artificial or natural gas business, or a combination thereof; or from furnishing municipal users with a water supply; provided that the aggregate or funded debt and outstanding preferred stock of the company shall not exceed 66 2/3% of its capitalization, and that for a period of 3 successive calendar or fiscal years next preceding the investment the corporation shall have received an average net income at least 2½ times the total of its fixed charges and preferred dividends. Provided further, that no stock of any such corporation shall be eligible for purchase under the provisions of this subsection unless at least one issue of mortgage bonds

of the same corporation has qualified for purchase by Maine savings banks under the provisions of subsection VII of this section.

Not more than 5% of the deposits of any one bank shall be invested in the preferred stocks of the above specified corporations and not more than 1% of such deposits shall be invested in the obligations of any preferred stock of any one of such corporations.