

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

AS PASSED BY THE

Eighty-first Legislature

OF THE

STATE OF MAINE

1923

Published by the Secretary of State, in accordance with the Resolves of the Legislature approved June 28, 1820, March 18, 1840, and March 16, 1842.

KENNEBEC JOURNAL PRINT SHOP
AUGUSTA, MAINE
1923

PUBLIC LAWS
OF THE
STATE OF MAINE

As Passed by the Eighty-First Legislature

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society; as an association for the promotion of good municipal government; as a chamber of commerce or board of trade; as a yacht club; or for any literary, scientific, musical, charitable, educational, social, military, agricultural, moral, religious, or benevolent purpose; they may apply in writing to any justice of the peace in the county, who may issue his warrant, directed to one of said applicants, requiring him to call a meeting thereof at such time and place as the justice may appoint.'

Approved February 17, 1923.

Chapter 4.

An Act to Amend Section Seven of Chapter Three Hundred and Three of the Public Laws of Nineteen Hundred and Seventeen, as Amended by Chapters One Hundred and Forty-one and Two Hundred and Twenty-three of the Public Laws of Nineteen Hundred and Nineteen and by Chapter One Hundred and Forty-seven of the Public Laws of Nineteen Hundred and Twenty-one, Relating to Amount of Loan, Rate of Interest on Farm Land Loans and the General Provisions on which the Loan is Made.

Emergency preamble. Whereas, the farmers of this State, owing to low prices for their commodities, poor crops and unusually high freight rates are enduring a financial hardship never before known in the history of the State, which condition threatens the destruction of the farm industries; and

Whereas, to some extent, a loan by the State under the following Act would be of great assistance to the farmers; and

Whereas, in the judgment of the legislature these facts create an emergency within the meaning of the Constitution of the State of Maine, and therefore require the following legislation as an immediate necessity 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:

Sec. 1. P. L., 1917, c. 303, sec. 7; 1919, c. 141 and 223; 1921, c. 147; relating to conditions on which loans may be made under Farm Lands Loan Act, amended. Section seven of chapter three hundred and three of the public laws of nineteen hundred and seventeen, as amended by chapters one hundred and forty-one, and two hundred and twenty-three of the public laws of nineteen hundred and nineteen, as amended by chapter one hundred and forty-seven of the public laws of nineteen hundred and twenty-one, is hereby further amended by striking out the word "five" in the first line and the word "five" in the third line of paragraph four of said section and substituting therefor the word 'ten' in said first line and the word 'ten' in said third line; and omitting all the words in paragraph six of said section after the word "mortgage" in the fifth line of said paragraph, and striking out the word "seven" in the first line of the seventh

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paragraph of said section and inserting in place thereof the word 'five,' and inserting after the word "annum" in said first line the words 'payable semi-annually'; by striking out the words "at the expiration of one year" in the second line; by striking out the word "annually" in the third line; by striking out the word "annual" in the eleventh line and inserting in place thereof the word 'semi-annual'; and by striking out the words "seven per cent" in the twelfth line and inserting in place thereof the words 'five per cent per annum,' so that said section, as amended, shall read as follows:

'Sec. 7. Increasing amount of loan permitted to \$10,000; loans may be made to refund an existing mortgage only; interest rate reduced to 5% payable semi-annually. The commissioners shall meet twice monthly whenever one or more applications for loans are awaiting consideration, or oftener in their discretion, to consider applications and they shall consider and dispose of all applications in the order in which such applications were received. The commissioners may grant applications for loans for which sufficient security as hereinafter provided is offered, subject to the approval of the attorney general of the title to the land offered as security. The commissioners may grant applications for the full amount asked or when they consider the security offered to be inadequate, they may reduce the amount of the loan to a sum for which they deem the security to be adequate.

'First. The commissioners shall require as security for every farm loan a first mortgage on farm real estate of a market value at least double the amount of the loan;

'Second. No loan shall be granted to any person who is not an actual resident of this state and a bona fide occupant of the land offered as security;

'Third. No loan shall be granted upon any land of which the market value is less than ten dollars per acre.

'Fourth. No loan of less than three hundred or more than ten thousand dollars shall be made to any one person, and no person shall be granted separate loans aggregating more than ten thousand dollars;

'Fifth. The reserved land fund, not invested, shall be set aside for loans under this section, or for any of the purposes set forth in section three, and the amount of said fund is hereby appropriated for such uses;

'Sixth. Loans shall be granted only for the purpose of assisting the borrower to erect necessary dwelling houses and farm buildings, to build silos, clear his land of forest growth, for the purchase of live stock and farm machinery, and for any other legitimate agricultural purpose, and also to refund an existing mortgage;

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'Seventh. The borrower shall pay a charge of five per cent per annum, payable semi-annually, for the use of the loan from the date of the loan and thereafter so long as the loan remains unpaid, and shall assign to the state, so far as its interests may appear, any policy of insurance upon buildings on any property mortgaged under this act during the lifetime of the mortgage. All loans shall be made for a term of not less than one, nor more than twenty years, but the principal of the loan, in whole or in part, at the option of the borrower may be paid on any interest date occurring not less than one nor more than nineteen years after the date of the loan, and in any event the whole shall be payable in twenty years, and when partial payments are made, the semi-annual charge of five per cent per annum shall be made only upon the unpaid balance of the principal of the loan.'

Sec. 2. Emergency clause. In view of the emergency expressed in the preamble hereof, this act shall take effect when approved.

Approved February 16, 1923.

Chapter 5.

An Act to Amend Section One Hundred and Twenty of Chapter Sixteen, of the Revised Statutes, Relating to the Appointment of the State Superintendent of Public Schools.

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

R. S., c. 16, sec. 120; relating to appointment of state superintendent of public schools, amended. Section one hundred and twenty of chapter sixteen of the revised statutes is hereby amended by striking out in the second and third lines thereof the words "superintendent of public schools" and inserting in place thereof the words 'commissioner of education,' and adding at the end of said section the words 'wherever the title "state superintendent of public schools" is used it shall mean the state commissioner of education,' so that said section, as amended, shall read as follows:

'Sec. 120. Title of official changed to commissioner of education. The governor with the advice and consent of the council shall appoint a state commissioner of education, who shall continue in office three years, or during the pleasure of the executive. Vacancies shall be filled by a new appointment for a like term. Whenever the title "state superintendent of public schools" is used, it shall mean the state commissioner of education.'

Approved February 17, 1923.