

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

AS PASSED BY THE

Eighty-second Legislature

OF THE

STATE OF MAINE

1925

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PUBLIC LAWS
OF THE
STATE OF MAINE

As Passed by the Eighty-second Legislature

1925

[supplied from page 1 of volume]

Chapter 117.

An Act Relating to Adjustment of Rate of Interest on Farm Loans Granted by the State.

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

P. L., 1917, c. 303, sec. 7; relating to terms and conditions of farm loans, interest rate, payments of loans, etc., amended. Section seven of chapter three hundred and three of the public laws of nineteen hundred and seventeen, as amended, is hereby amended by adding to said section the following: 'Provided, that all loans made at the rate of seven per cent between July seventh, nineteen hundred and twenty-one in pursuance of chapter one hundred and forty-seven, of the public laws of nineteen hundred and twenty-one, and July seventh, nineteen hundred and twenty-three, may be re-issued so that the rate of interest thereon shall be five per cent per annum, from the date of such re-issue'; so that said section, as amended, shall read as follows:

'Sec. 7. Loans made between July 7, 1921, and July 7, 1923, at seven per cent, may be re-issued at five per cent interest. 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 on 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;

'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.

'Provided, that all loans made at the rate of seven per cent between July seventh, nineteen hundred and twenty-one, in pursuance of chapter one hundred and forty-seven, of the public laws of nineteen hundred and twenty-one, and July seventh, nineteen hundred and twenty-three, may be re-issued so that the rate of interest thereon shall be five per cent per annum, from the date of such re-issue.'

Approved April 2, 1925.

Chapter 118.

An Act Relating to Retiring and Pensioning State Employees.

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

P. L., 1923, c. 199, sec. 3; relating to definition of state employee, amended. Section three of chapter one hundred and ninety-nine of the public laws of nineteen hundred and twenty-three, is hereby amended by inserting after the word "schools" in the third line of said section the words 'and the Madawaska Training School,' so that said section, as amended, shall read as follows: