

MAINE STATE LEGISLATURE

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Legislative Record

OF THE

Eighty-Sixth Legislature

OF THE

STATE OF MAINE

Special Session, November 14, 1933

KENNEBEC JOURNAL COMPANY
AUGUSTA, MAINE

SENATE

Tuesday, November 14, 1933

In compliance with a Proclamation of His Excellency, the Governor, Louis J. Brann, the Senators convened in the Senate Chamber at four o'clock in the afternoon.

Senate called to order by the President.

Prayer by the Rev. Herbert E. P. Pressey of Augusta.

By direction of the President, the Secretary read the Proclamation:

**STATE OF MAINE
A PROCLAMATION BY THE
GOVERNOR.
SPECIAL LEGISLATIVE SESSION**

The Merrill Trust Company of Bangor has made application for membership in the Federal Reserve System.

Membership in the Federal Reserve System guarantees the deposits to the extent permitted under the Federal Banking Act of 1933.

Insurance of deposits under the Act becomes effective on January 1, 1934.

The plan endorsed by the stockholders on November 10 and approved by the Reconstruction Finance Corporation and the Federal Reserve System calls for the granting of a new charter to the Merrill Trust Company and the formation of a mortgage company to be known as the Merrill Mortgage Company.

The Reconstruction Finance Corporation will invest two million dollars (\$2,000,000) in the preferred stock of the Merrill Trust Company and more than three million dollars (\$3,000,000) in the Mortgage Company.

The plan as adopted by the stockholders and approved and supported by the Reconstruction Finance Corporation and the Federal Reserve System will prevent loss to any depositor in the Merrill Trust Company.

The plan calls for the control of the Merrill Trust Company to be in the hands of the present preferred stockholders and the Reconstruction Finance Corporation subject to the supervision of the Federal Reserve System.

The Reconstruction Finance Corporation and the Federal Reserve System will act immediately upon the granting of the charters by the Legislature.

In order to cooperate with the stockholders of the Merrill Trust

Company, the Federal Reserve System and the Reconstruction Finance Corporation, I herewith call into special session the Eighty-sixth Legislature to assemble in their respective chambers at the Capitol, in Augusta, on Tuesday, the fourteenth day of November, 1933 at four o'clock in the afternoon, to consider the granting of such charters and such general legislation as may be necessary to permit banks to become members of the Federal Reserve System.

The occasion is extraordinary.

Given at the office of the Governor at Augusta and sealed with the Great Seal of the State of Maine, this thirteenth day of November, in the year of our Lord one thousand nine hundred and thirty-three and in the one hundred and fifty-eighth year of the Independence of the United States of America.

(Signed) Louis J. Brann,
GOVERNOR

By the Governor:

(Signed) ROBINSON C. TOBEY
SECRETARY OF STATE.

Which was ordered placed on file.

Roll Call

The roll being called by the Secretary, the following Senators responded to their names:

Abbott, Angell, Bartlett, Bissett, Blaisdell, Cooper, Farnsworth, Fernandez, Gay, Harmon, Hathaway, Holman, Holmes, Andrew Jackson, N. Gratz Jackson, Kitchen, Littlefield, McDonald, McLoon, Murchie, Page, Pillsbury, Robie, Schnurle, Seavey, Story, Towle, Viles, Weatherbee, Weeks, Weymouth, Winn.

The President announced that a quorum was present.

THE PRESIDENT: Perhaps this is the proper occasion for us to recognize the fact that one of the members of the Senate has recently been signally honored, and to remember that when we meet a few weeks hence the Senator from Androscoggin, Senator Holmes, will have been called to higher and more important duty.

May I offer to the Senator from Androscoggin, Senator Holmes, on behalf of the entire Senate, the sincere congratulations of the several members and of the Body as a whole?

On motion by Mr. Weatherbee of Penobscot, it was

Ordered, that a message be conveyed to the House of Representatives informing that body that a quorum of Senators is present for the consideration of such business as may come before the Senate.

The Secretary retired and subsequently reported that he had delivered the message with which he was charged.

On motion by Mr. Weatherbee of Penobscot, it was

Ordered, that a message be sent to His Excellency, the Governor, informing him that in obedience to his Proclamation, a quorum of Senators is assembled in the Senate Chamber for the consideration of such business as may come before the Senate.

The President appointed Senators Weatherbee of Penobscot, Weeks of Somerset, and Bartlett of Oxford, to convey the message.

The Committee retired, and subsequently reported that they had delivered the message with which they were charged.

A message was received from the House of Representatives, by Mr. Pease, its Clerk, informing the Senate that a quorum of the Representatives is present for the consideration of such business as may come before that body.

On motion by Mr. Holmes of Androscoggin, it was

Ordered, that the Secretary of the Senate be directed to invite the clergymen of Augusta, Hallowell and Gardiner to officiate as chaplains of the Senate during the present session.

On motion by Mr. Littlefield of York, it was

Ordered, the House concurring, that three hundred and fifty copies of the Legislative Record for the Special Session of 1933, convened on November 14th, be printed and bound, one copy each for the members and officers of the Senate and House of Representatives, and the remainder to be deposited in the State Library for exchange and library purposes; and be it further

Ordered, that three hundred and fifty copies of the Legislative Record be printed in pamphlet form for distribution from day to day to members of the Legislature and the departments under the direction of the document clerk.

Sent down for concurrence.

Subsequently the foregoing order came back from the House, read and passed in concurrence.

On motion by Mr. Viles of Kennebec, it was

Ordered, that Charles P. Lyford of Augusta be appointed Official Reporter of the Senate for the Special Session.

On motion by Mr. Cooper of Waldo, it was

Ordered, that the Senate Reporter be authorized to employ a typist during the Special Session.

On motion by Mr. Farnsworth of Aroostook, it was

Ordered, that the Secretary of the Senate be authorized to procure the services of two stenographers during the Special Session, and for the preparation of the Senate Journal.

On motion by Mr. Kitchen of Aroostook, it was

Ordered, that a message be sent to the House of Representatives proposing a Joint Convention to be held forthwith in the Hall of the House for the purpose of extending an invitation to the Governor to attend the convention and present such communication as he may be pleased to make.

The Secretary conveyed the message.

Subsequently a message was received from the House, by Mr. Pease, its Clerk, concurring in the foregoing proposition for a Joint Convention.

The Senate then proceeded to the House of Representatives where a Convention was formed.

(For proceedings in Joint Convention see House Report)

In The Senate

The Senate was called to order by the President.

Mr. Weatherbee of Penobscot presented bill

"An Act to incorporate the Merrill Trust Company" (S. P. 1, L. D. 1)

On motion by the same Senator, the rules were suspended, the bill was given its two several readings without reference to a committee, and passed to be engrossed.

Sent down for concurrence.

Mr. WEATHERBEE of Penobscot: Mr. President, I wish to say that

these bills carrying the emergency preamble, under our Constitution are operative for one year only, and the bills extending the charters do not carry an emergency clause but are for the purpose of extending the life of each corporation beyond the first year, thereby making it perpetual.

Mr. Weatherbee of Penobscot presented bill

"An Act to extend the charter of the Merrill Trust Company" (S. P. 2, L. D. 2)

On motion by the same Senator, the rules were suspended, the bill was given its two several readings without reference to a committee, and passed to be engrossed.

Sent down for concurrence.

Mr. Weatherbee of Penobscot presented bill

"An Act to incorporate the Merrill Mortgage Company" (S. P. 3, L. D. 3)

On motion by the same Senator, the rules were suspended, the bill was given its two several readings without reference to a committee, and passed to be engrossed.

Sent down for concurrence.

Mr. Weatherbee of Penobscot presented bill

"An Act to extend the Charter of Merrill Mortgage Company" (S. P. 4, L. D. 4)

On motion by the same Senator, the rules were suspended, the bill was given its two several readings without reference to a committee, and passed to be engrossed.

Sent down for concurrence.

Mr. Weeks of Somerset presented bill

"An Act to assist state banks in joining the Federal Reserve System" (S. P. 5, L. D. 5)

On motion by the same Senator, the rules were suspended, the bill was given its two several readings without reference to a committee, and passed to be engrossed.

Sent down for concurrence.

From the House, out of order, Resolve on the payroll of the House of Representatives. (H. P. 1)

In the House, under suspension of the rules, read twice without reference to a committee and passed to be engrossed.

In the Senate, on motion by Mr. Viles of Kennebec, the resolve was laid upon the table, pending first reading in concurrence.

Mr. Blaisdell of Hancock presented bill

"An Act to amend Chapter 29 of the Private and Special Laws of the year 1869, entitled An Act to incorporate the Town of Ellsworth into a city; and to validate certain acts of the Ellsworth Municipal officers." (S. P. 6, L. D. 6)

On motion by the same Senator, the rules were suspended, the bill was given its two several readings without reference to a committee and passed to be engrossed.

Sent down for concurrence.

The PRESIDENT: The Senate will now recess to assemble at the sound of the gavel.

After Recess

The Senate was called to order by the President.

Passed To Be Enacted

(Emergency Measure)

"An Act to incorporate the Merrill Trust Company." (S. P. 1, L. D. 1)

Which bill being an emergency measure, and having received the affirmative vote of 30 members of the Senate, was passed to be enacted.

(Emergency Measure)

"An Act to incorporate the Merrill Mortgage Company." (S. P. 3, L. D. 3)

Which bill being an emergency measure, and having received the affirmative vote of 30 members of the Senate, was passed to be enacted.

(Emergency Measure)

"An Act to assist state banks in joining the Federal Reserve System." (S. P. 5, L. D. 5)

Which bill being an emergency measure, and having received the affirmative vote of 30 members of the Senate, was passed to be enacted.

"An Act to extend the charter of the Merrill Trust Company." (S. P. 2, L. D. 2)

"An Act to extend the charter of Merrill Mortgage Company." (S. P. 4, L. D. 4)

Mr. Viles of Kennebec, presented "Resolve on the payroll of the Senate." (S. P. 10)

On motion by the same Senator, the rules were suspended, the resolve was given its two several readings without reference to a committee, and passed to be engrossed.

Sent down for concurrence.

Mr. Viles of Kennebec presented bill

"An Act authorizing Loan and Building Associations to assign or exchange Home Mortgages for Bonds issued by Home Owners' Loan Corporation." (S. P. 7, L. D. 7)

On motion by the same Senator, the rules were suspended, the bill was given its two several readings without reference to a committee, and passed to be engrossed.

Mr. LITTLEFIELD of York: Mr. President, I realize that the Senator from Kennebec, Senator Viles, has the floor and that he is still standing, but I would like to have the privilege of saying a few words.

The PRESIDENT: The Senator from Kennebec, Senator Viles, will no doubt yield the floor to the Senator from York, Senator Littlefield.

Mr. VILES of Kennebec: Mr. President, I will yield to the Senator.

Mr. LITTLEFIELD: Mr. President, it seems to me that we have put through here today all the emergency measures there is any need of. Now, I would like someone to explain to me, if they can, the emergency in this bill.

Mr. VILES: Mr. President, I will say that I am unable to make the explanation requested inasmuch as I am not familiar with the matter and introduced this bill by request. I will, however, make a motion at this time that the Senate recess so that we may discuss this matter informally.

The motion to recess prevailed.

After Recess

The Senate was called to order by the President.

Mr. VILES: Mr. President, I move that the rules be suspended in order that I may introduce at this time an act to amend the law relating to savings banks investments.

Mr. LITTLEFIELD: Mr. President, I move that this bill (S. P. 8, L. D. 8) together with the two bills accompanying it (S. P. 7, L. D. 7 and S. P. 9, L. D. 9) be referred to the Special Session of this Legislature to be called on December 4th next in order that we may all learn what is going on. This afternoon we have put through several measures and there isn't a soul outside who knows a thing that has been done. Now they come in here with something that they have admitted is not a necessity at this

time but that they want us to put through now as an emergency measure.

The PRESIDENT: The Chair will advise the Senator from York, Senator Littlefield, that Legislative Document number seven, an act authorizing Loan and Building Associations to assign or exchange home mortgages for bonds issued by Home Owners' Loan Corporation has been received and passed to be engrossed and that Legislative Document number eight, an act to amend the law relating to savings banks investments, has not yet been received. If the Chair understands the wishes of the Senator from York, Senator Littlefield, the proper motion would be to reconsider the action whereby Legislative Document number seven was passed to be engrossed.

Mr. LITTLEFIELD: I so move, Mr. President.

Mr. VILES: Mr. President, I most certainly do not wish to try to force anything, but I understand that this legislation is permissive and not regulatory. It permits these trust companies and loan and building associations to buy these bonds if they so desire. Now, I fear that if we do not take this step in these days of destitution, we might be severely criticized for not extending this proper right to these companies to take up these bonds and assist in this work. As far as the delay is concerned, the bills are printed and are now being engrossed and I believe there will be no appreciable delay here. Now, as I said before I do not wish to try to force any legislation. I know nothing more about this than any other citizen but I do believe that we ought to extend this privilege which may materially help a number of home owners in the State of Maine. I hope that the motion of the Senator from York, Senator Littlefield, will not prevail.

The PRESIDENT: The pending question is on the motion of the Senator from York, Senator Littlefield, that the Senate reconsider its vote whereby Legislative Document number seven, "An Act authorizing loan and building associations to assign or exchange home mortgages for bonds issued by home owners' loan corporation," was passed to be engrossed. Is this the pleasure of the Senate?

A viva voce vote being doubted
A division of the Senate was had.
Seventeen having voted in the

affirmative and fourteen in the negative, the motion to reconsider prevailed.

Thereupon, on motion by the same Senator the bill was referred to the Special Session of this Legislature to convene on or about December 4th next.

Sent down for concurrence.

Mr. Viles of Kennebec presented bill

"An Act to amend the law relating to savings banks investments." (S. P. 8, L. D. 8)

Thereupon, on motion by that Senator, the bill was referred to the Special Session of this Legislature to convene on or about December 4th next.

Sent down for concurrence.

Mr. Viles of Kennebec presented bill

"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." (S. P. 9, L. D. 9)

Thereupon, on motion by that Senator, the bill was referred to the Special Session of this Legislature to convene on or about December 4th next.

Sent down for concurrence.

Passed To Be Enacted

(Out of Order)

(Emergency Measure)

"An Act to amend chapter 29 of the Private and Special Laws of the Year 1869, entitled An Act to Incorporate the Town of Ellsworth into a City; and to validate certain acts of the Ellsworth Municipal Officers." (S. P. 6, L. D. 6)

On motion by Mr. Weeks of Somerset, tabled pending passage to be enacted.

Thereupon, on motion by the same Senator the bill was taken from the table.

Which bill being an emergency measure, and having received the affirmative vote of 25 members of the Senate was passed to be enacted.

On motion by Mr. Viles of Kennebec, the Senate voted to take from the table, Resolve on the payroll of the House of Representatives (H. P. 1) tabled by that Senator earlier in today's session pending first reading in concurrence; and on further motion by the same

Senator the rules were suspended, the resolve was given its two several readings and passed to be engrossed in concurrence.

Finally Passed

(Out of Order)

"Resolve on the payroll of the Senate." (S. P. 10, L. D. 10)

"Resolve on the payroll of the House of Representatives." (H. P. 11, L. D. 11)

On motion by Mr. Robie of Cumberland, it was

Ordered, that a message be sent to the House of Representatives, informing that body that the Senate has transacted all the business before it and is ready to adjourn without day.

The President appointed Mr. Robie of Cumberland to convey the message.

Subsequently the same Senator reported that he had delivered the message with which he was charged.

A message was received from the House of Representatives, by Mr. Farris of Augusta, informing the Senate that the House had transacted all business before it and was ready to adjourn without day.

On motion by Mr. Weeks of Somerset, it was

Ordered, the House concurring, that a committee of three on the part of the Senate, with such as the House may join be appointed to wait upon his Excellency, the Governor, and inform him that both branches of the Legislature have acted on all matters before them and are ready to receive any further communications he may be pleased to make.

Sent down for concurrence.

The Chair appointed on the part of the Senate Senators Weeks of Somerset, Holman of Franklin and Seavey of Oxford.

Subsequently the foregoing order came back from the House read and passed in concurrence; the Speaker having appointed as members of such committee on the part of the House, Representatives Goudy of South Portland, Tompkins of Bridgewater, Boyle of Sumner, Hussey of Augusta, Ward of Thorndike, Dow of Livermore Falls and Nevers of Patten.

The Committee retired, and subsequently Mr. Weeks for the Com-

mittee reported that the Committee had delivered the message with which it was charged, and that the Governor was pleased to state that he had no communication to make, except such communication as he would make through the Secretary of State.

Then appeared the Secretary of State, transmitting the following communication from the Governor:

STATE OF MAINE

OFFICE OF THE GOVERNOR

AUGUSTA

November 14, 1933

To the President of the Senate and
Speaker of the House:

I herewith transmit a list of

the Acts and Resolves passed by the present Legislature at the Special Session. I have approved a total of six Acts and two Resolves. I know of nothing further to engage your attention.

Respectfully submitted,

Louis J. Brann

GOVERNOR

Which communication was read and ordered sent to the House.

The President of the Senate then, on motion by Mr. McDonald of Washington, at seven o'clock and fifty minutes in the evening, declared the Senate of the Eighty-sixth Legislature adjourned without day.