

HOUSE No. 4193

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, April 25, 2016.

The committee on the Financial Services to whom was referred the petition (accompanied by bill, House, No. 794) of Garrett J. Bradley relative to the reserve fund for credit unions, reports recommending that the accompanying bill (House, No. 4193) ought to pass.

For the committee,

AARON MICHLEWITZ.

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The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

An Act further regulating the reserve fund for credit unions.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. The first paragraph of Section 8A of Chapter 294 of the Acts of 1961 as
2 appearing in Section 2 of Chapter 220 of the Acts of 2012 is hereby amended by striking out the
3 last sentence and inserting in place thereof the following 2 sentences:-

4 After the fund attains a total asset basis of \$50,000,000, deposits of any 1 member shall
5 not exceed 20 percent of all deposits in the fund. If the fund attains a total asset basis of
6 \$50,000,000 and that would result in a member having deposited more than 20 percent of all the
7 deposits in the fund, that member shall be allowed to keep on deposit in the fund those amounts
8 previously deposited, but shall not be allowed to make additional deposits until its total deposits
9 would not exceed 20 percent of all deposits in the fund.

10 SECTION 2. The last paragraph of Section 8A of Chapter 294 of the Acts of 1961 as
11 appearing in Section 2 of Chapter 220 of the Acts of 2012 is hereby amended by striking out said
12 paragraph and inserting in place thereof the following paragraph:-

- 13 The assets of the fund shall be invested only in investments otherwise permitted as
- 14 investments for the corporation under applicable law or regulation.