

HOUSE No. 3714

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

AN ACT AMENDING CHAPTER 472 OF THE ACTS OF 1998 TO ALLOW THE TOWN OF BROOKLINE TO CREATE AN INDEPENDENT AUTONOMOUS SEVEN-MEMBER BOARD TO SUPERVISE, MANAGE AND INVEST THE RETIREE HEALTHCARE LIABILITY TRUST FUND IN ORDER TO COMPLY WITH THE REQUIREMENTS OF STATEMENT 43 OF THE GOVERNMENTAL ACCOUNTING STANDARDS BOARD AND TO AUTHORIZE THE BOARD OF SELECTMEN TO APPOINT TWO MEMBERS TO SAID BOARD..

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. Section 1 of chapter 472 of the acts of 1998 is amended by deleting the
2 fourth sentence in Section 1 and adding the following paragraphs:

3 Notwithstanding the requirements of General Laws Chapter 44, Section 54 or any other
4 special or general law to the contrary, the Fund shall be under the supervision and management
5 of an independent and autonomous seven member board consisting of the five members of the
6 town’s contributory retirement board and two members appointed by the Board of Selectmen.

7 The board shall also serve as the custodian of said Fund and may invest and reinvest the interest
8 of such Fund. The board may employ any qualified bank, trust company, corporation, firm or
9 person to advise it on the investment of the Fund and may pay from the Fund for this advice and
10 other services as determined by the board. Procurement for these services shall be subject to the
11 procurement procedures and rules followed by the Town's Procurement Department.

12 If any civil action is brought against a member of the board, the defense or settlement of
13 which action is made by Town Counsel or outside counsel retained by Town Counsel on behalf
14 of the board, the member shall be indemnified for all expenses incurred in the defense of this
15 action and shall be indemnified for damages to the same extent as provided for public employees
16 in chapter 258 of the General Laws if the claim arose out of acts performed by the member or
17 members while acting within the scope of his/her official duties, but no member of the board
18 shall be indemnified for expenses incurred in the defense of an action, or damages awarded in an
19 action, in which there is shown to be a breach of fiduciary duty, an act of willful dishonesty or an
20 intentional violation of law by the member.

21 SECTION 2. This act shall take effect upon its passage.