

HOUSE No. 3444

By Mr. Pignatelli of Lenox, a petition (subject to Joint Rule 12) of William Smitty Pignatelli for legislation to make certain changes in the laws relative to the issuance of charitable life insurance policies. Financial Services.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An act authorizing charitable life insurance policies.

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 definition of “Professional fund-raising counsel” contained in section
2 18 of chapter 68 of the General Laws, as appearing in the 2008 Official Edition, is hereby
3 amended by striking out the second sentence and inserting in place thereof the following:-

4 A bona fide salaried officer or regular, non-temporary employee of a charitable
5 organization maintaining a permanent establishment within the commonwealth shall not be
6 deemed to be a professional fund-raising counsel. An insurance commission paid by an insurer to
7 a licensed insurance agent pursuant to an insurance policy issued in accordance with the
8 provisions of sub-section (3) of section 123A of chapter 175 shall not be deemed to be
9 consideration paid by a charitable organization;

10 SECTION 2. The definition of “Professional solicitor” contained in said section 18 of
11 said chapter 68, as so appearing, is hereby amended by striking out the fourth sentence and
12 inserting the following:- No attorney, investment counselor or banker who advises an individual

13 corporation or association to make a charitable contribution shall be deemed, as a result of such
14 advice, to be a professional fund-raising counsel or a professional solicitor. An insurance
15 commission paid by an insurer to a licensed insurance agent pursuant to an insurance policy
16 issued in accordance with the provisions of sub-section 3 of chapter 175 shall not be deemed to
17 be consideration paid by a charitable organization;

18 SECTION 3. Section 123A of chapter 175 of the General Laws, as appearing in the 2008
19 Official Edition, is hereby amended by adding the following sub-section:-

20 (3) A donor's retirement account may be designated as a collateral assignee of a life
21 insurance policy made to secure the repayment of a loan made to the charitable institution from
22 the retirement account; provided that no further assignment may be made by the retirement
23 account.