

SENATE No. 2430

The Commonwealth of Massachusetts

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In the Year Two Thousand Fifteen
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SENATE, Tuesday, January 06, 2015

The committee on Ways and Means, to whom was referred the House Bill relative to trust funds at the University of Massachusetts (House, No. 4557); reports, recommending that the same ought to pass with an amendment striking out all after the enacting clause and inserting in place thereof the text of Senate document numbered 2430; and by inserting before the enacting clause the following emergency preamble:- “*Whereas*, the deferred operation of this act would tend to defeat its purpose, which is forthwith to establish certain trust funds, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience”.

For the committee,
Stephen M. Brewer

The Commonwealth of Massachusetts

In the Year Two Thousand Fifteen

1 SECTION 1. Item 1599-7104 of section 2 of chapter 165 of the acts of 2014 is hereby
2 amended by adding the following words:- ; and provided further, that \$7,633,597 shall be
3 transferred to the Haverhill Satellite Center Trust Fund.

4 SECTION 2. (a) There shall be established and set up on the books of the commonwealth
5 a separate fund to be known as the Haverhill Satellite Center Trust Fund to be expended without
6 further appropriation by the University of Massachusetts. There shall be credited to the fund any
7 amounts appropriated or transferred to the fund, all interest earned on monies in the fund and any
8 monies received from public and private sources, including gifts, grants or donations. Monies in
9 the fund shall be held in a manner that shall achieve the highest interest rate available consistent
10 with the preservation of the principal of the fund and with the requirement that all amounts on
11 deposit shall be continuously available for immediate use pursuant to this section. The fund shall
12 be used exclusively for the benefit of the Haverhill Satellite Center. Within 30 days after
13 receiving a request from the Haverhill Satellite Center, the University of Massachusetts shall
14 transfer monies from the fund to the Haverhill Satellite Center; provided, however, that the
15 Haverhill Satellite Center shall use any monies received from the fund for the payment of lease
16 or rental expenses for real property occupied by the Haverhill Satellite Center, for the payment of
17 expenses related to the renovation, build out or maintenance of real property occupied by the

18 Haverhill Satellite Center, for the payment of costs related to the acquisition of supplies related
19 to the operation of the Haverhill Satellite Center and for the payment of all utility costs,
20 including water. Revenues deposited in the fund that are unexpended at the end of the fiscal year
21 shall not revert to the General Fund and shall be available for expenditure in the following year.

22 (b) The University of Massachusetts shall annually file a report with the executive office
23 for administration and finance and the senate and house committees on ways and means detailing
24 the expenditures pursuant to this section on or before June 30 of each year.

25 SECTION 3. (a) For the purpose of this section, the following words shall have the
26 following meanings unless the context clearly requires otherwise:

27 “Bank”, a national bank, trust company or banking company.

28 “Employee”, a person employed by the University of Massachusetts at Amherst and a
29 member of the collective bargaining units represented by the unions.

30 “Employer”, the University of Massachusetts at Amherst.

31 “Labor-management workplace education program”, the joint labor and management
32 educational partnership between the University of Massachusetts at Amherst and the employee
33 unions.

34 “Union”, the American Federation of State, County and Municipal Employees Council
35 93 and its affiliated local American Federation of State, County and Municipal Employees Local
36 1776; the Massachusetts Teachers Association and its affiliated associations, the University Staff
37 Association and the Professional Staff Union, Unit B.

38 (b) There shall be established at the University of Massachusetts at Amherst a Labor-
39 Management Workplace and Education Trust Fund to support the operations and activities of the
40 University of Massachusetts labor-management workplace education program.

41 (c) The fund shall be overseen by a board of trustees which shall consist of 6 members, 3
42 of whom shall be selected by the employer and 3 of whom shall be selected by the union;
43 provided however, that no 2 union board members shall be from the same union. The board shall
44 be co-chaired by 2 of the trustees, 1 selected by the employer trustees and 1 selected by the union
45 trustees. The board shall be responsible for depositing all contributions including, but not limited
46 to, employer contributions, donations, funds, stocks, share certificates, bonds, securities and all
47 other obligations in a bank selected by the board in compliance with section 34 of chapter 29 of
48 the General Laws.

49 (d) The board shall use all funds exclusively in support of the program; provided,
50 however, that the board may make appropriations necessary to administer the fund, including the
51 employment of administrative, legal, accounting, expert, consultative and clerical assistance, the
52 purchase or lease of buildings or land and the purchase or lease of materials, supplies and
53 equipment the board deems to be necessary in the performance of its duties. The trustees shall
54 serve without compensation but may be reimbursed for all reasonable and necessary expenses
55 that they may incur in the performance of their duties.

56 (e) The board shall keep true and accurate books of accounts and records of all
57 transactions of the fund and shall cause the books to be audited by a certified public accountant
58 each fiscal year. The accountant shall be made available to the employer and the union and shall
59 submit a final audit in writing to the board. Any employee or beneficiary may inspect the books

60 and records maintained by the board; provided, however, that the inspection shall be at a
61 reasonable time and place as determined by a majority of the trustees and shall not interfere with
62 the operation of the fund.

63 (f) If a civil action is brought against a trustee, the trustee shall be indemnified for all
64 expenses incurred in the defense of the action and shall be indemnified for damages if the claim
65 arose out of acts performed by the trustee while acting within the scope of the trustee's official
66 duties; provided, however, that a trustee shall not be indemnified for expenses incurred in the
67 defense of an action, or damages awarded in an action, in which there is shown to be a breach of
68 fiduciary duty, an act of willful dishonesty or an intentional violation of law by the trustee.
69 Indemnification shall be paid from amounts held in the fund.

70 SECTION 4. Section 2 is hereby repealed.

71 SECTION 5. Section 3 is hereby repealed.

72 SECTION 6. Sections 1 to 3, inclusive, shall take effect upon their passage.

73 SECTION 7. Section 4 shall take effect on June 30, 2027.

74 SECTION 8. Section 5 shall take effect January 1, 2020.