

HOUSE No. 2956

The Commonwealth of Massachusetts

PRESENTED BY:

Thomas A. Golden, Jr.

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to public funds.

PETITION OF:

NAME:

Thomas A. Golden, Jr.

DISTRICT/ADDRESS:

16th Middlesex

HOUSE No. 2956

By Mr. Golden of Lowell, a petition (accompanied by bill, House, No. 2956) of Thomas A. Golden, Jr., relative to the depositing of public monies. Financial Services.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 866 OF 2015-2016.]

The Commonwealth of Massachusetts

**In the One Hundred and Ninetieth General Court
(2017-2018)**

An Act relative to public funds.

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 34 of chapter 29 of the General Laws, as appearing in the 2014
2 Official Edition, is hereby amended by inserting after the words “federal savings banks”, in line
3 4, the following words:- federal credit unions,.

4 SECTION 2. Said section 34 of said chapter 29, as so appearing, is hereby further
5 amended by inserting after the words “and cooperative banks”, in line 6, the following words:-
6 , cooperative banks and credit unions.

7 SECTION 3. Section 54 of chapter 44 of the General Laws, as so appearing, is hereby
8 amended by striking out the first sentence, and inserting in place thereof the following sentence:-

9 Trust funds, including cemetery perpetual care funds, unless otherwise provided or
10 directed by the donor of the funds, shall be deposited in: a trust company, co-operative bank or

11 savings bank, or credit union, if the trust company, bank, or credit union is organized or exists
12 under the laws of the commonwealth or any other state or may transact business in the
13 commonwealth and has its main office or a branch office in the commonwealth; a national bank,
14 federal savings bank, federal savings and loan association, or federal credit union, if the bank,
15 association, or credit union may transact business and has its main office or a branch office in the
16 commonwealth; provided, however, that a state-chartered or federally-chartered bank shall be
17 insured by the Federal Deposit Insurance Corporation or its successor or invested by cities and
18 towns in participation units in a combined investment fund under section 38A of chapter 29 or in
19 bonds or notes which are legal investments for savings banks, or in paid up shares or deposits of
20 credit unions, or in paid up shares or deposits of federal credit unions doing business in the
21 commonwealth.

22 SECTION 4. Section 55 of said chapter 44, as so appearing, is hereby amended by
23 inserting after the word “banks,” in line 26, the following words:- credit unions or federal credit
24 unions,.

25 SECTION 5. Section 55A of said chapter 44, as so appearing, is hereby amended by
26 inserting after the word “bank” in line 4 the following words:- credit union or federal credit
27 union,.

28 SECTION 6. Section 29 of chapter 171 of the General Laws, as appearing in the 2014
29 Official Edition, is hereby amended by inserting after the fifth paragraph the following
30 paragraph:-

31 Notwithstanding any other provisions of law, any credit union or federal credit union may
32 accept public funds pursuant to section 34 of chapter 29 and sections 54, 55 and 55A of chapter

33 44 as provided for therein; provided, however, that the total of such public funds received shall
34 not exceed, at any time, twenty-five percent of the assets of the credit union or federal credit
35 union.