

HOUSE No. 2199

The Commonwealth of Massachusetts

PRESENTED BY:

Jeffrey N. Roy

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 authorizing municipal use of the prudent investor standards.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: | DATE ADDED: |
|----------------------------|-----------------------|------------------|
| <i>Jeffrey N. Roy</i> | <i>10th Norfolk</i> | <i>1/26/2021</i> |
| <i>Hannah Kane</i> | <i>11th Worcester</i> | <i>3/15/2021</i> |
| <i>Richard M. Haggerty</i> | <i>30th Middlesex</i> | <i>3/21/2021</i> |
| <i>Mathew J. Muratore</i> | <i>1st Plymouth</i> | <i>4/14/2021</i> |
| <i>Norman J. Orrall</i> | <i>12th Bristol</i> | <i>4/14/2021</i> |
| <i>Kathleen R. LaNatra</i> | <i>12th Plymouth</i> | <i>4/14/2021</i> |
| <i>Josh S. Cutler</i> | <i>6th Plymouth</i> | <i>4/14/2021</i> |
| <i>Steven G. Xiarhos</i> | <i>5th Barnstable</i> | <i>4/14/2021</i> |
| <i>Adam J. Scanlon</i> | <i>14th Bristol</i> | <i>7/7/2021</i> |

HOUSE No. 2199

By Mr. Roy of Franklin, a petition (accompanied by bill, House, No. 2199) of Jeffrey N. Roy, Hannah Kane and Richard M. Haggerty relative to authorizing municipal use of the prudent investor standards. Municipalities and Regional Government.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Second General Court
(2021-2022)

An Act authorizing municipal use of the prudent investor standards.

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 54 of chapter 44 of the General Laws, as appearing in the 2016
2 Official Edition, is hereby amended by inserting the following subtitle:

3 “(a) General Rule:”

4 Section 2. Said section is hereby amended by inserting at the end thereof, the following
5 subsection:-

6 (b) Prudent Investor Rule.

7 This paragraph shall take effect in any city, town or district upon acceptance in
8 accordance with the provisions of section 4 of chapter 4. Upon acceptance of this paragraph any
9 city, town, or district may manage trust funds held in its custody as a combined investment pool
10 and may invest said funds in accordance with the provisions of the Massachusetts Prudent
11 Investor Act of Chapter 203C of the General Laws and not in accordance with paragraph (a) of

12 this section. If any provision of this paragraph conflicts with the terms of a bequest, trust, or
13 other instrument that expresses the clear intent of the donor, then such funds may be managed
14 and invested only in accordance with the terms of such bequest, trust, or other instrument.