

HOUSE No. 3773

The Commonwealth of Massachusetts

PRESENTED BY:

Richard M. Haggerty

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 to modernize Massachusetts Credit Union Share Insurance Corporation (MSIC) investments.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Richard M. Haggerty</i>	<i>30th Middlesex</i>	<i>1/18/2023</i>

HOUSE No. 3773

By Representative Haggerty of Woburn, a petition (subject to Joint Rule 9) of Richard M. Haggerty for legislation to modernize Massachusetts Credit Union Share Insurance Corporation (MSIC) investments. Financial Services.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 3818 OF 2021-2022.]

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act to modernize Massachusetts Credit Union Share Insurance Corporation (MSIC) investments.

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. Clause (iii) of the first paragraph of section 16 of said chapter 294, as
2 appearing in chapter 253 of the acts of 2014, is hereby amended by striking out the word “and”
3 the last time it appears.

4 SECTION 2. Clause (iv) of said first paragraph of said section 16 of said chapter 294, as
5 so appearing, is hereby amended by striking out the words “single A.” and inserting in place
6 thereof the following words:- single A; and

7 SECTION 3. Said first paragraph of said section 16 of said chapter 294, as so appearing,
8 is hereby amended by adding the following clause:-

9 (v) Upon a 2/3 vote of its board of directors and having established that such activity will
10 not adversely affect its safety and soundness and having adequate policies and procedures to
11 ensure such investments governing the performance of the corporation and its employees, to
12 minimize any credit, market, liquidity, operations, legal and reputation risks to the corporation,
13 the corporation may apply to the commissioner to make investments as follows:

14 (1) In investments not specifically enumerated in section 12 or this section . The
15 corporation may invest up to 15 per cent of its assets in these investments at the time of purchase
16 with the investment in any 1 issuer not exceeding 5 per cent of the corporation's total assets at
17 the time of purchase.

18 (2) The corporation may authorize investment advisers registered under the Investment
19 Advisers Act of 1940 to acquire or dispose of investments for the corporation.

20 Any such approval granted by the commissioner shall be subject to such conditions and
21 limitations as the commissioner may impose. The corporation may apply to invest up to 15 per
22 cent of its assets under the authority granted in this paragraph. The percentage of such assets
23 authorized shall be determined by the commissioner. The commissioner may increase, modify,
24 curtail or rescind or otherwise limit the corporation's authority to make such investments.