

March 29, 2019

BY HAND

Honorable Steven James
Clerk of the House of Representatives
State House, Room 145
Boston, MA 02133

Dear Mr. James:

In compliance with the provisions of General Laws Chapter 3 § 7 as amended, I am returning herewith the requested memorandum, petition and accompanying bill.

***Memorandum of the Secretary of the Commonwealth
in Respect to the Petition of Louis L. Kafka, Steven S. Howitt and
James K. Hawkins that the Massachusetts Credit Union Share Insurance
Corporation be Authorized to Create and Maintain a Fund for the Insurance of
Shares and Deposits of Members of the Central Credit Union Fund, Inc.***

Respectfully,

William Francis Galvin
Secretary of the Commonwealth

cc: John Roseberry, Legislative Director, Rm. 337, State House

MEMORANDUM
OF THE SECRETARY OF THE COMMONWEALTH
IN RESPECT TO THE PETITION OF LOUIS L. KAFKA, STEVEN S. HOWITT AND JAMES K
HAWKINS THAT THE MASSACHUSETTS CREDIT UNION SHARE INSURANCE CORPORATION
BE AUTHORIZED TO CREATE AND MAINTAIN A FUND FOR THE INSURANCE OF SHARES
AND DEPOSITS OF MEMBERS OF THE CENTRAL CREDIT UNION FUND, INC.

March 29, 2019

To: The Honorable Senate and
 House of Representatives

On March 27, 2019 the Clerk of the House of Representatives transmitted the above-referenced petition to me with a request for a memorandum pursuant to the provisions of General Laws Chapter 3 § 7.

The Massachusetts Credit Union Share Insurance Corporation (hereinafter referred to as the "Corporation") was organized by Chapter 294 of the Acts of 1961 for the purpose of creating and maintaining a fund for the issuance of shares and deposits of members of credit unions established under the laws of the Commonwealth. Since its inception, numerous special acts have been adopted amending the provisions of law relative to the Corporation. Most recently, Chapter 253 of the Acts of 2014 amended Chapter 294 of the Acts of 1961 to provide the corporation with certain powers and privileges including the ability to own or lease real and personal property and to invest in other business entities or credit unions as permitted by the Commissioner and approved by 2/3 vote of its board of directors.

The bill before you seeks to amend Chapter 294 of the Acts of 1961 to expand the purpose to include credit unions which are established under the laws of Maine, New Hampshire, Vermont, New York, Connecticut or Rhode Island in addition to those established under the laws of the commonwealth or the United States. It also seeks to amend definitions of terms defined within Chapter 294. Finally, the bill amends Section 1 of Chapter 171 of the General Laws by deleting the words, "having a usual place of business within the commonwealth" from the definition of organization member.

(cont.)

Honorable Senate and
House of Representatives

March 29, 2019

Special legislation is necessary to accomplish the amendments. No fee is required by a corporation of this type. This office has no opinion on the merits of the legislation.

Respectfully submitted,

William Francis Galvin
Secretary of the Commonwealth

WFG/mso