

HOUSE No. 704

By Mr. Gott of Arlington, petition of the Massachusetts Collectors and Treasurers Association for legislation relative to investment of municipal trust funds and cemetery funds. Municipal Finance.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Fifty-Three.

AN ACT RELATIVE TO INVESTMENT OF TRUST FUNDS AND CEMETERY 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 54 of chapter 44 of the General Laws, as
2 amended by chapter 243 of the acts of 1949, is hereby
3 further amended by striking out, in line 13, the words
4 "bonds or notes," and inserting in place thereof the
5 clause: — in securities, other than mortgages or col-
6 lateral loans, which are legal for the investment of
7 funds of savings banks under the laws of the com-
8 monwealth; provided, that the percentage of the total
9 amount of all the funds of any such system which may
10 be invested in any one class of such securities shall not
11 exceed the percentage of the total amount of all the de-
12 posits of any savings bank, which may be so invested;
13 — so as to read as follows: — *Section 54.* Trust funds,
14 including cemetery perpetual care funds, unless other-
15 wise provided or directed by the donor thereof, shall be

16 placed at interest in savings banks, trust companies
17 incorporated under the laws of the commonwealth,
18 banking companies incorporated under the laws of the
19 commonwealth which are members of the Federal De-
20 posit Insurance Corporation, or national banks, or
21 invested by cities and towns in paid-up shares of co-
22 operative banks, or in shares of savings and loan as-
23 sociations, or in shares of federal savings and loan
24 associations doing business in the commonwealth to an
25 amount not exceeding five thousand dollars, or in se-
26 curities, other than mortgages or collateral loans,
27 which are legal for the investment of funds of savings
28 banks under the laws of the commonwealth; provided,
29 that the percentage of the total amount of all such
30 funds of any such system which may be invested in
31 any one class of such securities shall not exceed the
32 percentage of the total amount of all the deposits of
33 any savings bank, which may be so invested. This
34 section shall not apply to Boston.