

By Mr. Sullivan, a petition of George A Sullivan, Jr., for legislation to regulate the disposition of funds advanced under a construction loan by certain banking institutions so as to provide payment for services and materials furnished for said construction. Banks and Banking.

**The Commonwealth of Massachusetts**

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

AN ACT REGULATING THE DISPOSITION OF FUNDS ADVANCED UNDER A CONSTRUCTION LOAN BY CERTAIN BANKING INSTITUTIONS SO AS TO PROVIDE PAYMENT FOR SERVICES AND MATERIALS FURNISHED FOR SUCH CONSTRUCTION.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 Chapter 167 of the General Laws is hereby amended by  
2 inserting after section 50 the following section: —

3 *Section 50A.* Prior to advancing to the mortgagor any funds  
4 secured by a new-construction mortgage, the bank shall obtain  
5 from the mortgagor a statement, subscribed and sworn to by  
6 the mortgagor, that all costs of material supplied or delivered  
7 and services furnished in connection with said new construc-  
8 tion have been paid.

9 The bank shall pay directly to suppliers, material men, and  
10 subcontractors all bills rendered for materials supplied and  
11 services furnished by them in connection with said new con-  
12 struction which have been duly submitted to the bank and  
13 approved by the mortgagor.

14 In the event that any such bill submitted is not approved  
15 by the mortgagor, the bank shall act as a depository for the  
16 amount claimed until the matter is finally adjudicated; and  
17 for the purposes herein, the deposited bill should be considered  
18 as paid; provided, however, that said deposited bill is accom-  
19 panied by an affidavit of the supplier, material men, or sub-

20 contractor stating that said materials were supplied or services  
 21 were furnished for the said new construction, and that the bill  
 22 rendered is fair and reasonable.

23 Each bill submitted to the bank under this section shall be  
 24 accompanied by a fee of two dollars, which shall be paid to  
 25 the bank for its services.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Sixty Three

AN ACT RELATING TO THE PROVISION OF PUBLIC UTILITIES SERVICE  
 TO CERTAIN AREAS OF THE COMMONWEALTH, AND TO PROVIDE  
 FOR THE PAYMENT OF SUCH SERVICE TO THE PUBLIC UTILITIES  
 COMPANY OF MASSACHUSETTS.

Enacted by the Senate and House of Representatives in  
 General Court assembled, and by the majority of the same, on  
 January 15, 1963.

Chapter 157 of the General Laws is hereby amended by  
 inserting after section 55 the following sections:—

- 1 Section 55A. There is hereby created the position of public utility
- 2 officer of the Commonwealth, to be appointed by the Governor and
- 3 to hold office for a term of four years, and to be eligible for re-
- 4 election for one term only.
- 5 The public utility officer shall have the honor and rank of
- 6 colonel, and shall be entitled to the same allowances and
- 7 benefits as are provided for the public utility officers of the
- 8 Commonwealth.
- 9 The public utility officer shall have the duty to supervise and
- 10 administer all public utility companies operating in the
- 11 Commonwealth, and to report to the Governor and the Senate
- 12 annually on the operations of such companies, and to the
- 13 Governor and the Senate on the public utility industry in the
- 14 Commonwealth.
- 15 In the event that any such bill submitted is not approved
- 16 by the Legislature, the bill shall not be a derogation of the
- 17 power of the Governor to create or abolish offices, and
- 18 no account shall be taken of any such bill in computing the
- 19 term of any such officer.
- 20 The public utility officer shall be appointed by the Governor
- 21 and shall hold office until he is removed by the Senate.
- 22 The public utility officer shall be appointed by the Governor
- 23 and shall hold office until he is removed by the Senate.
- 24 The public utility officer shall be appointed by the Governor
- 25 and shall hold office until he is removed by the Senate.