

# HOUSE . . . . No. 457

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By Mr. Sherman of Somerville (by request), petition of Walter H. Neaves that co-operative banks be authorized to include stocks of or deposits in the Federal Home Loan Bank of Boston in their assets. Banks and Banking.

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## The Commonwealth of Massachusetts

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In the Year One Thousand Nine Hundred and Thirty-Four.

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An Act permitting Co-operative Banks to include Stocks of or Deposits in the Federal Home Loan Bank established for the District of New England in their Reserves.

*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 one hundred seventy of the General  
2 Laws, as amended by chapter one hundred forty-  
3 four of the acts of nineteen hundred thirty-three,  
4 is hereby further amended by adding in section  
5 forty-seven of said chapter one hundred forty-four  
6 of the acts of nineteen hundred thirty-three the  
7 following words:—(f) Stocks of or deposits in  
8 the Federal Home Loan Bank established for the  
9 district of New England,—so that said section  
10 shall read:— *Section 47.* Every such corporation  
11 shall establish and at all times maintain, as a  
12 reserve to meet withdrawals of shares and applica-

13 tions for share loans, an amount equal to not less  
14 than three per cent of its total resources. Such  
15 reserve shall consist of any or all of the following:  
16 (a) cash on hand; (b) balances payable on demand  
17 due from any trust company incorporated in this  
18 commonwealth or national banking association  
19 having its principal place of business within this  
20 commonwealth; (c) bonds of the United States;  
21 (d) bonds and notes of this commonwealth; (e)  
22 deposits in the Co-operative Central Bank in ac-  
23 cordance with chapter forty-five of the acts of  
24 nineteen hundred and thirty-two or (f) stock of  
25 or deposits in the Federal Home Loan Bank estab-  
26 lished for the district of New England. If at any  
27 time the reserve of any such corporation falls below  
28 the amount herein required, such corporation shall  
29 not make any real estate loans, except additional  
30 loans and reloans upon property already mortgaged  
31 to such corporation, until such reserve shall have  
32 been fully restored.