

ACTS, 1985. – Chaps. 804, 805.

Chapter 804. AN ACT RELATIVE TO THE AVAILABILITY OF RESPITE CARE.

Be it enacted, etc., as follows:

Section 43 of chapter 140 of the acts of 1985 is hereby amended by striking out the second, third, and fourth and sentences and inserting in place thereof the following two sentences:— All such agencies and departments which offer respite care services shall establish a system of sliding fees for such services, provided that agencies within the executive office of human services which provide respite care services to their clients shall exempt mentally and physically disabled clients from the provision of any system of sliding fees or other system of payment for such respite care services. Such system of sliding fees shall consider the income and resources of both the client and his family.

Approved January 10, 1986.

Chapter 805. AN ACT FURTHER REGULATING THE BORROWING POWER AND CERTAIN OTHER POWERS OF THE SOUTHEASTERN MASSACHUSETTS UNIVERSITY BUILDING AUTHORITY AND THE UNIVERSITY OF LOWELL BUILDING AUTHORITY.

Be it enacted, etc., as follows:

SECTION 1. Section 1 of chapter 557 of the acts of 1961 is hereby amended by striking out paragraph (d), as amended by section 2 of chapter 685 of the acts of 1963, and inserting in place thereof the following paragraph:—

(d) The word "project" shall mean the construction or leasing of new buildings or structures and the acquisition, leasing, addition to, alteration, enlargement, reconstruction, rehabilitation, remodeling and other work in or upon or respecting existing buildings or structures, including but not limited to the alteration of existing facilities or the provision of additional or new facilities necessary or desirable in view of changed or new requirements of law or other circumstances such as, by way of example and not by way of limitation, use by or access for handicapped persons, conservation of energy, or improved safety or security of persons and property, the provision and installation therein or in respect thereof of furnishings, furniture, machinery, equipment, facilities, approaches, driveways, walkways, parking areas, planting and landscaping, the acquisition of land, other property, rights, easements and interests acquired for or in respect of any thereof, the demolition or removal of any buildings or structures on land so acquired or interests in which are so acquired and site preparation, with respect to which the Authority shall provide by resolution for the issuance of a series of bonds or notes. Whenever appropriate the word shall also mean such land, buildings or structures and such appurtenances.

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SECTION 2. Said section 1 of said chapter 557 is hereby further amended by striking out paragraph (g), as amended by section 3 of chapter 708 of the acts of 1975, and inserting in place thereof the following paragraph:-

(g) The word "trustees" shall mean the trustees of the University of Lowell under section nine of chapter fifteen A of the General Laws, as inserted by chapter three hundred and twenty-nine of the acts of nineteen hundred and eighty, or if such trustees shall hereafter be abolished, the board, body or commission succeeding to the principal functions thereof or to which the powers given by said chapter fifteen A and chapter seventy-five A of the General Laws with respect to the University shall be given by law.

SECTION 3. Said chapter 557 is hereby further amended by striking out section 3, as most recently amended by chapter 868 of the acts of 1975, and inserting in place thereof the following section:-

Section 3. Purpose. The Authority is created for the general purposes of aiding and contributing to the performance of the educational and other purposes of the University by providing dormitories, dining commons and other buildings, structures and facilities for the use of the University, its students and staff, their dependents, and others as hereinafter provided. Such use shall include, but not be limited to, use by an organization or association, in any form, of students or others the activities of which are a part of the activities of the University and subject to regulation by the trustees or use by a research foundation or other research organization the operation of which in conjunction with the University is approved by the trustees, or use by any other entity whose activities are approved by the trustees as furthering the purposes of the University; such use may be in the discretion of the Authority be in the form of a lease of facilities to such organization, association, research foundation or other research organization. The Authority shall not initiate any project except upon written request made by authority of the trustees and upon written approval from the commissioner of administration and the board of regents of higher education and notwithstanding any other provisions of this act the Authority shall have power to initiate only such projects as are designed primarily to provide facilities for the housing, feeding, medical care or extra curricular use by students, staff and dependents or facilities for use by an organization or association of students or others, a research foundation or other research organizations or other entity as above defined.

SECTION 4. Section 4 of said chapter 557 is hereby amended by striking out clause (g) and inserting in place thereof the following clause:-

(g) To borrow money from time to time to achieve any one or more of its corporate purposes or to refund obligations earlier incurred for any such purpose or for prior refundings, to issue and sell its revenue bonds and notes therefor, as provided in section seven.

SECTION 5. Said section 4 of said chapter 557 is hereby further

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amended by striking out clause (i), as amended by section 6 of chapter 684 of the acts of 1963, and inserting in place thereof the following clause:–

(i) To acquire, by lease, purchase or otherwise, provided that the Authority shall have no power to acquire property by any eminent domain proceedings, hold and dispose of real and personal property and rights and interests therein in the exercise of its powers and the performance of its duties under this act.

SECTION 6. Said section 4 of said chapter 557 is hereby further amended by striking out clause (n) and inserting in place thereof the following clause:–

(n) To invest any fund held by it pending disbursement, which investment may be made in any one or more of the following:

(i) direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America;

(ii) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Banks, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Corporation, or by any other agency or corporation which has been or is hereafter created pursuant to an act of the Congress of the United States as an agency or instrumentality thereof;

(iii) interest-bearing time deposits or certificates of deposit of banking institutions or trust companies organized under the laws of any state of the United States or any national banking association, provided that such deposits or certificates shall be continuously and fully secured by obligations described in subclauses (i) and (iii) having a market value, exclusive of accrued interest, at least equal to the aggregate amount of such deposits and certificates; or

(iv) any of the securities described in subclauses (i) and (ii) which are subject to repurchase agreements with any bank or trust company organized under the laws of any state of the United States or any national banking association.

SECTION 7. Clause (a) of section 5 of said chapter 557 is hereby amended by inserting after the word "Lowell", in line 2, the words:– or in other sites off the campus of the University.

SECTION 8. Section 7 of said chapter 557 is hereby amended by striking out the first paragraph, as most recently amended by section 1 of chapter 189 of the acts of 1970, and inserting in place thereof the following paragraph:–

The Authority is hereby authorized to provide by resolution at one time or from time to time for the issue of bonds of the Authority to achieve any of its corporate purposes, including the payment of all or any part of the cost of a project, the payment of interest on notes or bonds of the Authority, the establishment of reserves to secure such

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bonds and notes, including the reserve funds created pursuant to section ten, and the payment of all other expenditures of the Authority incident to or necessary or convenient to the execution of its corporate purposes and powers, for the purpose of refunding outstanding indebtedness of the Authority incurred under this act or any other authority; provided, that the Authority shall not issue bonds the principal amount of which, when added to the principal amount of bonds and notes theretofore issued hereunder, excluding bonds and notes previously refunded or being or to be refunded thereby, shall exceed forty-two million dollars.

SECTION 9. The third paragraph of said section 7 of said chapter 557, as most recently amended by section 1 of chapter 738 of the acts of 1974, is hereby further amended by striking out, in line 4, the word "three" and inserting in place thereof the word:– five,– and by striking out, in line 10, the word "seven" and inserting in place thereof the word:– ten.

SECTION 10. The fourth paragraph of said section 7 of said chapter 557 is hereby amended by striking out the second sentence and inserting in place thereof the following two sentences:– Bonds issued hereunder shall be dated, shall bear interest at such rates, shall mature at such time or times not exceeding forty years from their date or dates as may be determined by the Authority, and may be redeemable before maturity at the option of the Authority at such price or prices and under such terms and conditions as may be fixed by the Authority prior to the issuance of any such bonds. The bonds may be issued as serial bonds with maturities in such years as the Authority may determine, or as term bonds, or as a combination of both.

SECTION 11. The fifth paragraph of said section 7 of said chapter 557 is hereby amended by striking out the fifth and sixth sentences.

SECTION 12. The sixth paragraph of said section 7 of said chapter 557 is hereby amended by striking out the first sentence and inserting in place thereof the following sentence:– The proceeds of such bonds and notes shall be used solely for the purposes for which they are issued or for the payment of the principal amount of the bonds or notes which they are issued to refund, together with accrued interest, premium if any, and related fees and expenses, and shall be disbursed in such manner and under such restrictions, if any, as the Authority may provide in the resolution authorizing the issuance thereof or in the trust agreement securing the same.

SECTION 13. Said chapter 557 is hereby further amended by striking out section 10, as most recently amended by section 13 of chapter 868 of the acts of 1975, and inserting in place thereof the following section:–

Section 10. Guaranty by Commonwealth.– The commonwealth, acting by and through the trustees, may enter into a contract or contracts with the Authority for state financial assistance in the form of a guaranty by the commonwealth of bonds of the Authority issued under section seven.

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Such guaranty shall be executed on each bond by an officer of the trustees. Each such contract shall contain such limitations as to the cost of the project or projects, if any, to be financed by the bonds to be guaranteed under this section and current operating and administrative expenses of the Authority to be allocated thereto, and such other provisions as the trustees may require.

The Authority shall create a reserve for principal and interest on all bonds with respect to which such a contract or contracts shall have been executed and which are secured by a single trust agreement and shall make deposits in such reserve as hereinafter required.

For the purposes of this paragraph the term "annual series requirement" shall mean one-twelfth of the largest amount of principal and interest payments due on any one issue or series of bonds secured by a single trust agreement in any year after the twelfth year next succeeding the year in which such issue or series of bonds was issued, and the term "year" shall mean a calendar year.

Such annual series requirement shall be in effect as to any issue or series of bonds for and only for the twelve years next succeeding the year in which the same was issued. In each year commencing with the first year succeeding the year in which the initial such issue or series of bonds shall be issued the Authority shall deposit in such reserve an amount equal to the aggregate of the annual series requirements in effect for such year in respect of all issues or series of bonds of which are outstanding on the first day of such year minus or plus, as the case may be, the excess or deficiency of the amount on deposit in such reserve on such first day, including in such amount interest accrued but unpaid on obligations in which such amount may then be invested, over or under the aggregate of all annual series requirements in effect for prior years in respect of all issues or series of bonds of which are outstanding on such first day; provided, however, that if there shall be any application of such reserve or any portion thereof to the payment of principal or interest on bonds, the amount of any deficiency in the amount thereafter on deposit in such reserve resulting from such application shall be taken into account in computing the amount required to be deposited in such reserve in any year thereafter only to the extent that it is practicable to do so. The principal and interest payments due in any year on any issue or series of bonds shall be determined in accordance with the following when applicable: (1) the principal of bonds for the payment, prepayment, redemption or refunding of which funds are held in trust under the trust agreement shall be treated as not outstanding, and, after notice of any prepayment, redemption or refunding of bonds has been given in accordance with the trust agreement, all interest accruing on such bonds after the date with respect to which the requirements of the trust agreement for prepayment, redemption or refund thereof have been fulfilled shall be treated as not due, and (2) if the Authority shall establish a sinking fund for the payment of the principal of bonds at or prior to maturity, such principal amount of bonds as will be paid or prepaid from any deposit required to be made into such sinking fund shall be treated as if it matured on the date of such deposit and not on the maturity date of such

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bonds. Unless the trust agreement or a resolution of the Authority shall otherwise provide, all amounts required to be deposited into a reserve under any trust agreement shall be held for the equal benefit and security of all issues and series of bonds issued under such trust agreement. Any reserve may be used whenever necessary to pay principal or interest on bonds of any issue or series of bonds entitled to the benefits thereof, but such reserve shall be restored to the required level as soon as practicable. At any time when the amount on deposit in any reserve equals or exceeds (a) the aggregate of the twelve annual series requirements to be in effect with respect to any particular such issue or series of bonds of which are then outstanding plus (b) all annual series requirements in effect for all prior years and for the then current year with respect to all other such issues or series of bonds of which are then outstanding, and when such aggregate plus any other funds of the Authority available for the purpose shall equal or exceed the aggregate amount required to pay in full the principal and redemption price of and interest on all bonds of such particular issue or series then outstanding, the Authority may apply to such payment an amount from such reserve not exceeding such aggregate. If on the first day of any year the amount on deposit in any reserve equals or exceeds the sum of (i) the aggregate of all annual series requirements in effect for prior years plus (ii) the annual series requirements for such year, in each case in respect of all such issues or series of bonds of which are outstanding on such first day, the Authority shall not be obliged to make a deposit in such reserve in respect of such year, and, if such amount on deposit exceeds such sum but the conditions for application of the preceding sentence are not then met, the Authority may apply such excess to the payment of interest coming due in such year on bonds of such issue or series.

Any such contract may provide for the guaranty by the commonwealth of notes of the Authority issued under section seven, the total amount of which shall not exceed the amount specified in the contract for state financial assistance.

The guaranty of the commonwealth provided pursuant to such contract shall be of the payment of the principal of, and interest on, all such notes and bonds as the same become due and payable, and the full faith and credit of the commonwealth is hereby pledged for any such guaranty; provided, that the total amount of notes and bonds so guaranteed shall not exceed forty-two million dollars in the aggregate for all projects of the Authority, exclusive of bonds and notes previously refunded or being or to be refunded thereby.

SECTION 14. Section 1 of chapter 703 of the acts of 1964, as most recently amended by chapter 347 of the acts of 1970, is hereby amended by striking out paragraph (d) and inserting in place thereof the following paragraph:—

(d) "Project", the construction or leasing of new buildings or structures and the acquisition, addition to, alteration, enlargement, reconstruction, rehabilitation, remodeling and other work, including, but not limited to, the alteration or modification of existing facilities or the

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construction of additional or new facilities required or made desirable by changes in or enactments of new law or regulation or changes in or new circumstances such as, by way of example and not by way of limitation, provision for access or use by handicapped persons, provision for conservation of energy, provision for safety of persons and property, provision for other compliance with changed or new law, regulation or circumstance, in or upon or respecting existing buildings or structures, the provision and installation therein or in respect thereof of furnishings, furniture, machinery, equipment, facilities, approaches, driveways, walkways, parking areas, planting and landscaping, the acquisition of land, other property, rights, easements, and interests acquired for or in respect to any thereof, the demolition or removal of any buildings or structures on land so acquired or interests in which are so acquired and site preparation, with respect to which the Authority shall provide by resolution for the issuance of a series of bonds or notes. Whenever appropriate the word shall also mean such land, buildings or structures and such appurtenances.

SECTION 15. Said chapter 703 is hereby further amended by striking out section 3, as most recently amended by section 14 of chapter 868 of the acts of 1975, and inserting in place thereof the following section:–

Section 3. Purposes.– The Authority is created for the general purposes of aiding and contributing to the performance of the educational and other purposes of the University by providing dormitories, dining commons and other buildings, structures, and facilities for the use of the University, its students, staff and their dependents, which may be located at such place or places as the trustees may designate and which may be provided in collaboration with, and for joint use by, other agencies, boards, commissions or departments of the commonwealth and authorities created by the laws of the commonwealth. The Authority shall not initiate any project except upon written request made by authority of the trustees and upon written approval from the commissioner of administration and the chancellor of the board of regents of higher education, and notwithstanding any other provisions of this act the Authority shall have power to initiate only such projects as are designed primarily to provide facilities for the housing, feeding, medical care or extracurricular use by students, staff and dependents or facilities for use by an organization or association of students or others, a research foundation or other research organization, or other entity as above defined.

SECTION 16. Section 4 of said chapter 703 is hereby amended by striking out clause (g), as amended by section 19 of chapter 513 of the acts of 1978, and inserting in place thereof the following clause:–

(g) To borrow from time to time to achieve any one or more of its corporate purposes including to finance and refinance the costs of projects and to refund obligations earlier incurred for any such purpose and for refunding, and to sell its bonds and notes therefor, payable solely from its revenues, as provided in section seven.

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SECTION 17. Clause (i) of said section 4 of said chapter 703 is hereby amended by inserting after the word "acquire", in line 1, the words:- by lease, purchase or otherwise, provided that the Authority shall have no power to acquire property by an eminent domain proceedings.

SECTION 18. Said section 4 of said chapter 703 is hereby further amended by striking out clause (n), as amended by section 3 of chapter 665 of the acts of 1966, and inserting in place thereof the following clause:-

(n) To invest any funds held by its pending disbursements, which investment may be made in any one or more of the following:

(i) direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America;

(ii) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Banks, Federal Banks for Cooperatives, Federal Land Banks, Federal Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Corporation, or of any other agency or corporation which has been or is hereafter created pursuant to an act of Congress of the United States as an agency or instrumentality thereof;

(iii) interest-bearing time deposits or certificates of deposit of banking institutions or trust companies organized under the laws of any state of the United States or any national banking association, provided that such deposits or certificates shall be continuously and fully secured by obligations described in subclauses (i) and (ii) having a market value, exclusive of accrued interest, at least equal to the aggregate amount of such deposits and certificates; or

(iv) any of the securities described in said subclauses (i) and (ii) which are subject to repurchase agreements with any bank or trust company organized under the laws of any state of the United States or any national banking association.

SECTION 19. Section 7 of said chapter 703 is hereby amended by striking out the first, second, third and fourth paragraphs and inserting in place thereof the following four paragraphs:-

The Authority is hereby authorized to provide by resolution at one time or from time to time for the issue of bonds of the Authority for achieving any of its corporate purposes or for the purpose of refunding outstanding indebtedness of the Authority incurred under this act or any other authority, including the payment of all or any part of the cost of projects, the payment of interest on notes and bonds of the Authority, the establishment of reserves to secure such bonds and notes, including the reserve funds created pursuant to section ten, and the payment of all other expenditures of the Authority incident to and necessary or convenient to carry out its corporate purposes and powers and any refunding provided, that the Authority shall not issue bonds the principal amount of which, when added to the principal amount of bonds and notes theretofore issued hereunder, excluding bonds and notes previously refunded or being or to be refunded, thereby, shall exceed forty million

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and provided, further, that the Authority shall not issue notes or bonds for the purpose of refunding bonds theretofore issued and then outstanding hereunder except with the prior written approval of the trustees of such refunding issue, which approval need not be of the interest rate, the maturity or any of the other terms thereof.

The Authority is further authorized to provide by resolution at one time or from time to time for the issue of interest-bearing or discounted notes for the purposes and in the amounts that bonds may be issued as provided above. Such notes shall be payable within five years from their respective dates, but the principal of and any interest on notes issued for such period or for a shorter period may be renewed or paid from time to time by the issue of other notes hereunder; provided, that the period from the date of an original note to the maturity of any note issued to renew or pay the same debt or the interest thereon shall not exceed ten years.

The principal and interest of any bonds or notes issued hereunder shall be payable solely from the funds herein provided for such payment. The bonds of each issue shall be dated, shall bear interest at such rate or rates, but not including rates variable from time to time, determined in such manner as the Authority shall approve, shall mature or otherwise be payable at such time or times, not exceeding fifty years from their date or dates as may be determined by the Authority, and may be made redeemable before maturity, at the option of the Authority, at such price or prices and under such terms and conditions as may be fixed by the Authority prior to the issuance of any such bonds. The bonds may be issued as serial bonds with maturities in such years as the Authority may determine or as term bonds or as a combination of both.

The Authority is further authorized, subject to such conditions, limitations and restrictions as may be set forth in the resolution or resolutions authorizing or the trust agreement or agreements securing any bonds or notes theretofore issued, to provide by resolution at one time or from time to time for the issue under this act of such additional bonds for the above purposes as may hereafter be authorized by the general court.

SECTION 20. The sixth paragraph of said section 7 of said chapter 703 is hereby amended by striking out the first sentence and inserting in place thereof the following sentence:– The proceeds of such bonds and notes shall be used solely for the purposes for which they are issued and shall be disbursed in such manner and under such restrictions, if any, as the Authority may provide in the resolution authorizing the issuance thereof or in the trust agreement securing the same.

SECTION 21. Said chapter 703 is hereby further amended by striking out section 10, as most recently amended by chapter 868 of the acts of 1978, and inserting in place thereof the following section:–

Section 10. Guaranty by Commonwealth.– The commonwealth, acting by and through the trustees, may enter into a contract or contracts with the Authority for state financial assistance in the form of a guaranty by the commonwealth of bonds of the Authority issued to achieve any of its

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corporate purposes or to refund outstanding indebtedness of the Authority incurred under this act or any other authority for any such purposes. Such guaranty shall be executed on each bond by the signature or facsimile signature of an officer of the trustees. In case any officer of the trustees whose signature or a facsimile of whose signature shall appear on any bond shall cease to be such officer before the delivery thereof, such signature or facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until such delivery. Each such contract shall contain such limitations as to the cost of any project or projects to be financed by the bonds to be guaranteed pursuant thereto and current operating and administrative expenses of the Authority to be allocated thereto, and such other provisions as the trustees may require.

The Authority shall create a reserve for principal and interest on all bonds with respect to which such a contract or contracts shall have been executed and which are secured by a single trust agreement and shall make deposits in such reserve as hereinafter required. For the purposes of this paragraph the term "annual series requirement" shall mean one-twelfth of the largest amount of principal and interest payments due in any one year on any one issue or series of bonds secured by a single trust agreement and the term "year" shall mean a calendar year. Such annual series requirement shall be in effect as to any such issue or series of bonds for and only for the twelve years next succeeding the year in which the same was issued. At the time of initial issue of any issue or series of bonds the Authority may deposit in such reserve an amount, from the proceeds of such bonds or from other available funds of the Authority, not greater than the aggregate of the annual series requirements in respect of such issue. If the amount of such deposit is less than such aggregate, the Authority shall, at the time such deposit is made, designate to which of such annual series requirements such deposit shall apply. In each year commencing with the first year succeeding the year in which the initial such issue or series of bonds shall be issued the Authority shall deposit in such reserve an amount equal to the aggregate of the annual series requirements in effect for such year in respect of all such issues or series of bonds bonds of which are outstanding on the first day of such year plus or, at the option of the Authority, minus, as the case may be, the deficiency or excess of the amount on deposit in such reserve on such first day, including in such amount interest accrued but unpaid on obligations in which such amount may then be invested under or over the aggregate of all such annual series requirements in effect for prior years in respect of all such issues or series of bonds bonds of which are outstanding on such first day; provided, however, that if there shall be any application of such reserve or any portion thereof to the payment of principal or interest on bonds, the amount of any deficiency in the amount thereafter on deposit in such reserve resulting from such application shall be taken into account in computing the amount required to be deposited in such reserve in any year thereafter only to the extent that it is practicable to do so. The principal and interest payments due in any year on any issue or series of bonds shall be determined in accordance with the following when applicable (1) the principal of bonds

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for the payment, prepayment, redemption or refunding of which funds are held in trust by the trustee appointed pursuant to the trust agreement under which such bonds were issued shall be treated as not outstanding and after notice of any prepayment, redemption or refunding of bonds has been given in accordance with the trust agreement, all interest accruing on such bonds after the date with respect to which the requirements of such trust agreement for prepayment, redemption or refund thereof have been fulfilled shall be treated as not due, and (2) if the Authority shall establish a sinking fund for the payment of the principal of bonds at or prior to maturity, such principal amount of bonds as will be paid or prepaid from any deposit required to be made into such sinking fund shall be treated as if it matured on the date of such deposit and not on the maturity date of such bonds. Unless the trust agreement or a resolution of the Authority shall otherwise provide, all amounts required to be deposited into a reserve under any trust agreement shall be held for the equal benefit and security of all issues and series of bonds issued under such trust agreement. Any reserve may be used whenever necessary to pay principal or interest on bonds of any such issue or series of bonds, but such reserve shall be restored to the required level as soon as practicable. At any time when the amount on deposit in any reserve equals or exceeds (a) the aggregate of the twelve annual series requirements to be in effect with respect to any particular such issue or series of bonds bonds of which are then outstanding plus (b) all annual series requirements in effect for all prior years and for the then current year with respect to all other such issues or series of bonds bonds of which are then outstanding, and when such aggregate plus any other funds of the Authority available for the purpose shall equal or exceed the aggregate amount required to pay in full the principal and redemption price of and interest on all bonds of such particular issue or series then outstanding, the Authority may apply to such payment an amount from such reserve not exceeding such aggregate. If on the first day of any year the amount on deposit in any reserve equals or exceeds the sum of (i) the aggregate of all annual series requirements in effect for prior years plus (ii) the annual series requirements for such year, in each case in respect of all such issues or series of bonds bonds of which are outstanding on such first day, the Authority shall not be obliged to make a deposit in such reserve in respect of such year, and if such amount on deposit exceeds such sum but the conditions for application of the preceding sentence are not then met, the Authority may apply such excess to the payment of interest coming due in such year on bonds of such issues or series.

Any such contract may provide for the guaranty by the commonwealth of notes of the Authority issued under section seven, the total amount of which shall not exceed the amount specified in the contract for state financial assistance. Such guarantee shall be executed on each note by the signature or facsimile signature of an officer of the trustees. In case any officer of the trustees whose signature or a facsimile of whose signature shall appear on any note shall cease to be such officer before the delivery thereof, such signature or facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if such

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officer had remained in office until such delivery.

The guaranty of the commonwealth provided pursuant to such contract shall be of the payment of the principal of, and interest on, all such notes and bonds as the same become due and payable, and the full faith and credit of the commonwealth is hereby pledged for any such guaranty; provided, however, that the total principal amount of notes and bonds so guaranteed shall not exceed forty million dollars in the aggregate, exclusive of bonds and notes refunded or being funded thereby.

SECTION 22. The division of capital planning and operations is hereby authorized, in the name and on behalf of the commonwealth, located on the campus of the University of Lowell Building Authority, for a nominal sum, two parcels of real property of the commonwealth, located on the campus of the University of Lowell in the City of Lowell and under the control of the trustees of the University of Lowell, the first such parcel of real property being the land and building thereon known as Concordia Hall and the second parcel of such real property being the land and building thereon known as the South Campus Cafeteria.

Approved January 10, 1986.

EMERGENCY LETTER: January 24, 1986 @ 1:37 P.M.

Chapter 806. AN ACT RELATIVE TO UNINSURED MOTOR VEHICLES.

Be it enacted, etc., as follows:

SECTION 1. Section 34J of chapter 90 of the General Laws, as appearing in the 1984 Official Edition, is hereby amended by striking out the first sentence and inserting in place thereof the following sentence:– Whoever operates or permits to be operated a motor vehicle which is subject to the provisions of section one A during such time as the motor vehicle liability policy or bond or deposit required by the provisions of this chapter has not been provided and maintained in accordance therewith shall be punished by a fine of not less than three hundred dollars nor more than one thousand five hundred dollars or by imprisonment for not more than one year in a house of correction, or both such fine and imprisonment; provided, however, that any municipality that enforces the provisions of this section shall retain two hundred dollars of any such fine.

SECTION 2. Said chapter 90 is hereby further amended by inserting after section 34 O the following section:–

Section 34P. The registrar after receipt of a notice as referred to in section thirty-four H, that a motor vehicle which is subject to the provisions of section one A and for which a motor vehicle liability policy or bond or deposit required by the provisions of this chapter has not been provided and maintained in accordance therewith, and upon the effective date of revocation pursuant to said section thirty-four H, shall notify state law enforcement agencies and the municipal police department of