

SENATE No. 260.

Commonwealth of Massachusetts.

SENATE, April 16, 1894.

The joint committee on the Judiciary, to whom was referred the petition of Robert Fox and others for legislation for the suppression of "bucket shops," so called, and the bill relative to gaming and the keeping of gambling establishments (Senate, No. 81, introduced on leave), report the accompanying Bill.

For the Committee,

JOHN F. CRONAN.

Commonwealth of Massachusetts.

In the Year One Thousand Eight Hundred and Ninety-four.

AN ACT

To punish Persons dealing in Wagering Contracts concerning Securities and Commodities.

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 1. Whoever keeps or maintains an office,
2 room or any other place wherein is carried on or per-
3 mitted the giving of pretended orders, the making of
4 pretended contracts or other pretended transactions
5 which are directly or indirectly wagers on the price of
6 securities or commodities; or wherein is carried on or
7 permitted the pretended buying or selling, on margin or
8 otherwise, of securities or commodities without any in-
9 tention on the part of the parties contracting or receiv-
10 ing and paying for the securities or commodities so
11 bought, or of delivering the securities or commodities so
12 sold; or wherein is carried on or permitted the giving
13 of orders to make purchases or sales of securities or
14 commodities, on margin or otherwise, without any inten-
15 tion on the part of the agent of actually delivering the

16 securities or commodities so ordered to be sold, or of
17 receiving and paying for the securities and commodities
18 so ordered to be bought, shall be punished by fine of not
19 less than one hundred dollars nor more than five hundred
20 dollars; and any person or persons who shall be guilty
21 of a second offence under this act shall be punished by
22 fine of not less than two hundred dollars nor more than
23 one thousand dollars, or by imprisonment in the jail or
24 house of correction for not less than three months nor
25 more than two years, or by both such fine and im-
26 prisonment.

1 SECT. 2. Any employee in an office, room or other
2 place wherein is carried on or permitted any of the acts
3 mentioned in section one who has knowledge of the
4 business therein carried on or permitted, and who is
5 directly or indirectly engaged in the conduct of such
6 business shall be deemed guilty of violating section one
7 of this act, and punished as therein provided.

1 SECT. 3. If a tenant or occupant under a lawful title,
2 of a building, tenement, office, room or other place, uses
3 such premises or any part thereof for the purpose of
4 carrying on or permitting any of the acts enumerated in
5 section one of this act, such use shall annul and make
6 void the lease or other title under which he holds, and
7 without any act of the owner shall cause the right of
8 possession to revert and vest in such owner or lessor,
9 who may, without process of law, make immediate entry
10 upon the premises, or may avail himself of the remedy
11 provided in chapter one hundred and seventy-five of the
12 Public Statutes.

1 SECT. 4. Whoever knowingly lets a building, tene-
2 ment, office, room or other place owned by him, or under

3 his control, for the purpose of having carried on therein
4 any of the transactions enumerated in section one of this
5 act, or who knowingly permits such building, tenement,
6 office, room or other place, or any part thereof, to be
7 used for such purpose, or after due notice of any such
8 use omits to take all reasonable measures to eject there-
9 from the persons occupying the same as soon as it can
10 lawfully be done, shall be deemed guilty of violating sec-
11 tion one of this act, and shall be punished as therein pro-
12 vided.

1 SECT. 5. The term securities in this act shall mean
2 and include all shares in any corporation, joint stock
3 company or association, bonds, coupons, scrip, rights,
4 choses in action and other evidences of debt or personal
5 property and options for the purchase or sale thereof.
6 And the term commodities in this act shall mean and
7 include everything movable that is bought and sold.

1 SECT. 6. In any proceeding under this act the fact
2 that the seller or the person employing another to sell in
3 his behalf did not own the securities or commodities at
4 the time of the contract of sale, or at the time of the
5 giving of the order to sell, was not entitled to the pos-
6 session of the securities or commodities, shall be and
7 constitute a wager under the provisions of this act, and
8 the fact that settlements have been made without the
9 actual delivery and receipt of the securities or com-
10 modities bought or sold or ordered to be bought or sold
11 shall each of them be *prima facie* evidence that there
12 was no intention to perform the contracts made or ordered
13 to be made by the actual receipt or delivery of the
14 securities or commodities in question.

1 SECT. 7. It shall be the duty of every person, asso-
2 ciation, copartnership or corporation doing business as a

3 broker or commission merchant, to furnish on demand
4 within a reasonable time to any customer or principal,
5 for whom such commission merchant or broker has exe-
6 cuted any order for the purchase or sale of any securities
7 or commodities, either for immediate or future delivery,
8 a written statement containing the names of the parties
9 from whom such securities or commodities were bought,
10 or to whom they shall have been sold, as the case may
11 be, the time when, the place where, and the price at
12 which the same were either bought or sold; and in case
13 such commission merchant or broker shall refuse to fur-
14 nish such statement upon reasonable demand, the fact of
15 such refusal shall be *prima facie* evidence that there was
16 no intention to perform the contracts made or ordered to
17 be made by the actual receipt or delivery of the securi-
18 ties or commodities in question.

1 SECT. 8. This act shall not prohibit or in any man-
2 ner affect any insurance made in good faith for the secur-
3 ity or indemnity of the party insured and which is not
4 otherwise prohibited by law, nor any contract or bottomry
5 or respondentia.

1 SECT. 9. This act shall take effect on the first day of
2 July in the year eighteen hundred and ninety-four.

