

HOUSE No. 832.

[Bill accompanying the petition of Francis J. Horgan for legislation relative to deposits in certain corporations. Mercantile Affairs. Feb. 4.]

Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred and One.

AN ACT

To authorize Certain Corporations to receive Deposits to secure Future or Contingent Indebtedness and to require the Payment of Interest upon Such Deposits.

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. Any corporation having a fran-
2 chise in, and the use of, the public streets of any
3 city or town for the supply and distribution of
4 gas, water, electric light or power, or for the
5 maintenance of communication by wire or other-
6 wise, is hereby authorized to collect from its
7 patrons a sum sufficient to guarantee said corpo-
8 ration from loss of charges and tolls.

1 SECTION 2. The treasurers of such corpora-
2 tions when making the annual returns to the

3 proper officers, as required by chapter one hun-
4 dred and thirty of the Public Statutes, shall in-
5 clude therein a true statement of all moneys and
6 the value of any and all collaterals so held as
7 guaranty for the payment of said charges or tolls
8 from the inhabitants of each city or town in
9 which said guaranty is secured.

1 SECTION 3. Whenever a corporation shall
2 hold for a longer period than six months money
3 collected under the provisions of section one of
4 this act, said corporation shall pay upon said
5 guaranty fund the legal rate of interest to the
6 depositors thereof, said interest to be payable
7 annually, and the amount to be allowed toward
8 the payment of charges and tolls by said deposi-
9 tors or sent by mail or otherwise to the residence
10 or place of business of the aforesaid depositor.

1 SECTION 4. In case of failure or neglect to
2 make due and proper return as provided in sec-
3 tion two, or failure, neglect or refusal to pay
4 the interest as provided in section three, the
5 offending corporation shall be fined not less than
6 one hundred dollars nor more than five hundred
7 dollars upon each conviction.

1 SECTION 5. It shall be the duty of the mayors
2 of cities and selectmen of towns to receive com-
3 plaints and information relating to the violation
4 of this act, and to direct the proper law officers
5 to prosecute the offending corporation.