

By Mr. Palumbo of Newbury, petition of Thomas G. Palumbo, John P. Burke and Vincent J. Lozzi providing for an investigation by a special commission (including members of the General Court) relative to the scope and extent of financial services offered consumers by depository and non-depository financial institutions. Banks and Banking.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Seven.

RESOLVE PROVIDING FOR AN INVESTIGATION AND STUDY BY A SPECIAL COMMISSION RELATIVE TO THE SCOPE AND EXTENT OF FINANCIAL SERVICES OFFERED CONSUMERS BY DEPOSITORY AND NON-DEPOSITORY FINANCIAL INSTITUTIONS.

1 *Resolved*, That a special commission is hereby established, to
2 consist of four members of the senate, five members of the house
3 of representatives, the commissioner of insurance or his designee,
4 and the commissioner of banks or his designee. The commissioner
5 shall be co-chaired by the senate and the house of representatives.

6 Said commission shall study and consider the scope and extent
7 of financial services offered consumers by depository and non-
8 depository institutions. The commission shall consider, among
9 any other matters it deems relevant, the existing and proposed
10 federal legislative and regulatory actions in the financial services
11 area; the potential impact, benefits, and risks for consumers, the
12 banking, insurance, real estate, securities and retailing industries,
13 and the economy of the commonwealth as a whole; and whether
14 existing state and federal laws and regulations are sufficient to
15 protect consumers and to evaluate and audit the various financial
16 industries for safety and soundness.

17 Said commission may travel within the commonwealth and may
18 hold public hearings and require, by summons, the attendance and
19 testimony under oath of witnesses and the production of books
20 and papers.

21 Said commission may expend for expenses and for legal,
22 actuarial, research, clerical and other assistance such sums as may

23 be appropriated, therefor, not to exceed three hundred thousand
24 dollars annually; provided, however, that all costs of administra-
25 tion and operation of said commission shall be borne by insurance
26 companies and banks licensed and doing business or granted
27 authority to do business in the commonwealth. The commissioner
28 of administration shall apportion the estimated costs of said
29 commission on said organizations on a fair and reasonable basis.
30 Said estimated costs shall be paid to said commissioner within
31 thirty days after notice from said commissioner of such estimated
32 costs. Said secretary shall subsequently apportion actual costs
33 among all said organizations and shall make assessment
34 adjustments for the same for any variation between estimated and
35 actual costs on a fair and reasonable basis. Such estimated and
36 actual costs shall include an amount equal to the cost of fringe
37 benefits as established by the commissioner of administration
38 pursuant to section six B of chapter twenty-nine of the General
39 Laws.

40 Said commission may report from time to time its findings and
41 recommendations, if any, to the general court together with drafts
42 of legislation necessary to carry such recommendations into effect
43 and shall file its annual report no later than the first Wednesday
44 of December, nineteen hundred and eighty-seven.