

By Mr. Flood of Canton, petition of John H. Flood relative to revising certain banking laws. Banks and Banking.

The Commonwealth of Massachusetts

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

AN ACT EQUITABLY REVISING CERTAIN BANKING LAWS.

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. Chapter 171 of the General Laws is hereby
2 amended by striking out section 8, as appearing in the 1986
3 Official Edition, and inserting in place thereof the following
4 setion: —

5 Section 8. The bylaws may be amended at any annual meeting,
6 or at a special meeting called for the purpose, by a three-fourths
7 vote of all of the members present and entitled to vote; provided,
8 that the notice of the meeting and of the proposed amendment
9 is given each member in the manner prescribed in said bylaws.
10 No amendment or amendments containing a change in the
11 conditions of residence, occupation, or association which qualify
12 persons for membership, or change in location, or change in name
13 shall become operative until approved in writing by the
14 commissioner. Any such amendment or amendments shall not be
15 approved unless it shall be shown that such action shall promote
16 public convenience and advantage and shall be consistent with the
17 original purposes of incorporation pursuant to section two;
18 provided further that it in the opinion of the commissioner the
19 resultant change or changes shall result in the credit union offering
20 equivalent banking services then upon the succeeding fiscal year
21 then such corporation notwithstanding any provisions of the
22 General Laws to the contrary shall be considered a bank for
23 purposes of section one of chapter sixty-three and subject to such
24 provisions as prescribed therein.

1 SECTION 2. Said Chapter 171 is hereby further amended by
2 inserting after section 29 the following section: —

3 Section 29A. A credit union by vote of at least two-thirds of
4 those members present, qualified to vote, and voting at a meeting
5 duly called for the purpose preceded by a notice in writing send
6 to each and every member at his last address appearing on the
7 records of the credit union to the commissioner at least sixty days
8 prior to said meeting, may convert into a federal credit union
9 provided that the commissioner determines that public
10 convenience and advantage will be promoted thereby and
11 subsequent to public hearing thereon. The commissioner shall
12 assign a date and place for such public hearing and shall furnish
13 such corporation a form of notice relative thereto. Such
14 corporation shall publish the notice at least once a week for three
15 successive weeks in one or more newspapers designated by said
16 commissioner and published in the town wherein the main office
17 of such corporation is located or, if there is no newspaper in said
18 town, in the town wherein a newspaper is published and which
19 is nearest to the location of the main office of such corporation.