

Accompanying the twenty-third recommendation of the Department of Revenue (House, No. 231). Local Affairs.

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## The Commonwealth of Massachusetts

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In the Year One Thousand Nine Hundred and Ninety-Two.

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AN ACT RELATING TO THE PAYMENT OF COURT JUDGMENTS AND THE ISSUANCE OF NOTES BY MUNICIPALITIES.

*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 44 of the General Laws, as appearing in  
2 the 1990 Official Edition, is hereby amended by striking out  
3 sections 23 to 27A, inclusive, and inserting in place thereof the  
4 following sections: —

5 Section 23. The director shall furnish to the treasurer of every  
6 city, town and district, forms for the issue of notes for money  
7 borrowed by the city, town or district. Every such note shall  
8 contain blanks for insertion of the amount thereof, the date of  
9 issue, which shall be construed as the date from which interest  
10 is payable, the interest which it bears, the date when it will become  
11 due, and such other matters as the director may deem necessary;  
12 and a record of every such note shall be kept by said treasurer  
13 in such form as the director may designate. The director may place  
14 upon notes submitted to him for certification such denominations  
15 as will show the purpose for which they are issued and as may  
16 be required by law to appear thereon.

17 Section 24. When a city, town or district votes to borrow  
18 money otherwise than by the issue of bonds, the treasurer thereof  
19 may make notes for the amount of the proposed loan, and may  
20 use one or more, in serial order, of the forms provided for in  
21 section twenty-three, with the blank spaces properly filled in.  
22 Notes issued hereunder shall be signed and countersigned as  
23 provided in section sixteen or other applicable provisions of law

24 in the presence of the clerk of the city, town or district, who shall  
25 certify to the fact on the face thereof. The treasurer of the city,  
26 town or district, after making a record of the transaction in  
27 accordance with section twenty-three, shall forward, with the fee  
28 required by section twenty-six, every such note to the director,  
29 with a copy of said record and a copy of the order or vote  
30 authorizing the loan, certified by the clerk of the city, town or  
31 district, and a certification by said clerk that the person whose  
32 signature appears upon the note as treasurer was the duly  
33 authorized treasurer of the city, town or district when such  
34 signature was made, and that the persons whose countersignatures  
35 appear upon the note were duly qualified as such when such  
36 signatures were made; and the treasurer of such city, town or  
37 district shall furnish such other information as the director may  
38 require to enable the director properly to certify the note. If upon  
39 examination the note appears to the director to have been duly  
40 issued in accordance with law and the vote of the city, town, or  
41 district authorizing it, or in accordance with an act of the general  
42 court, and to have been signed by the duly qualified officials of  
43 such city, town or district, he shall so certify and shall thereupon  
44 return the note by registered mail to the treasurer of such city,  
45 town or district or shall deliver it in hand to such treasurer or  
46 to his duly authorized agent; but, under such regulations as he  
47 may prescribe, if so authorized by the signers of the note, the  
48 director may deliver a certified note to the payee thereof or deliver  
49 it to a bank or trust company to be credited to the account of  
50 such city, town or district. He may certify to the issue of a note  
51 on any date not earlier than five days prior to the date of issue  
52 appearing on the note, if the other conditions of this chapter have  
53 been complied with. He shall not certify a note payable on  
54 demand, nor shall he certify any note unless the laws relating to  
55 municipal indebtedness have been complied with, or if it appears  
56 that the proceeds of the note are not to be used for the purpose  
57 specified in the vote authorizing the loan for which the note is  
58 issued. The director may use a facsimile signature machine or  
59 stamp for the purpose of certifying notes under this section and  
60 such facsimile shall have the same legal effect as the director's  
61 manual signature.

62 Section 24A. City, town and district notes may be made  
63 payable to “bearer”, and when so issued section twenty-four may  
64 be construed by the director as being properly complied with in  
65 so far as it relates to the proper filling in or any space provided  
66 for the name of the purchaser or registered holder of the loan,  
67 and the director may certify such notes; provided that before  
68 certification there shall be filed with the director by the city, town  
69 or district treasurer, as the case may be, the name of the purchaser  
70 of such loan.

71 Section 25. Whenever a note issued by a city, town or district  
72 is paid, the treasurer thereof shall immediately notify the director  
73 of such payment, stating the source from which such payment was  
74 made.

75 Section 26. The director shall establish a reasonable fee for  
76 every note certified, to be turned over monthly to the  
77 commonwealth; and the state treasurer may refund the amount  
78 of any fee deposited with him by said director for the certification  
79 of any note which may be cancelled before money is obtained  
80 thereon; provided, that application for such a refund shall be made  
81 to the director within twenty days after the certification of the  
82 notes for which the fee was paid.

83 Section 27. The certification of city, town or district notes by  
84 the director shall be prima facie evidence of the liability of such  
85 city, town or district therefor.

86 Section 27A. The provisions of sections twenty-three to  
87 twenty-seven, inclusive, shall be deemed to provide an additional  
88 and alternative means of carrying out the purposes thereof and  
89 shall not effect the power of cities, towns and districts to issue  
90 notes under and subject to other provisions of law.

1 SECTION 2. Section 31 of said chapter 44, as so appearing,  
2 is hereby amended by inserting, in line 26, after the words “director  
3 of accounts” the following words: — if the amount of the  
4 judgement or award is over ten thousand dollars.

