

HOUSE....No. 253.

[Substitute proposed by Mr. BAKER, of Beverly, for the Bill to provide for the appointment of a Commissioner of Savings Bank. (Senate 99.)]

Commonwealth of Massachusetts.

In the Year One Thousand Eight Hundred and Sixty-Six.

AN ACT

To provide for the Appointment of a Board of Bank and Insurance Commissioners.

Be it enacted by the Senate and House of Representatives, in General Court assembled, and by the authority of the same, as follows:—

1 SECT. 1. The board of commissioners authorized
2 by section one of chapter fifty-eight of the General
3 Statutes, shall hereafter be entitled a Board of Bank
4 and Insurance Commissioners, and shall consist of
5 three persons appointed by the governor, with the

6 consent of the council, for the term of three years, sub-
7 ject to removal at their pleasure. The present mem-
8 bers of the board shall hold their office according to
9 the tenor of their respective commissions unless
10 sooner removed.

1 SECT. 2. Before entering on the duties of their office
2 the commissioners shall be sworn. In addition to the
3 duties required of said commissioners by existing laws,
4 they shall visit every savings bank and institution for
5 savings, incorporated by authority of this state, once in
6 every year, and as much oftener as they may deem
7 expedient. At such visits they shall have free access
8 to the vaults, books and papers, and shall thoroughly
9 inspect and examine all the affairs of each of said
10 corporations, and make such inquiries as may be neces-
11 sary to ascertain its condition, ability to fulfil all its
12 engagements, and whether it has complied with the
13 provisions of law. They shall preserve in a permanent
14 form a full record of their proceedings, including a
15 statement of the condition of each of said corporations.

1 SECT. 3. The commissioners may summon all trus-
2 tees, officers or agents of any such corporation, and
3 such other witnesses as they think proper, in relation to
4 the affairs, transactions and condition of such corpo-
5 ration, and for that purpose may administer oaths;
6 and whoever refuses without justifiable cause to
7 appear and testify when thereto required, or obstructs
8 said commissioners in the discharge of their duty, shall
9 be punished by a fine not exceeding one thousand
10 dollars, or imprisonment for a term not exceeding one
11 year.

1 SECT. 4. If any five or more persons, who are
2 officers, trustees, creditors or depositors of any such
3 corporation, shall make and sign a certificate under
4 oath, setting forth their interest, and the reasons for
5 making such examination, directed to the commis-
6 sioners requesting them to examine such corporation,
7 the commissioners shall proceed forthwith and make a
8 full investigation of the affairs of such corporation in
9 the manner before provided.

1 SECT. 5. If upon examination of any such corpo-
2 ration, the commissioners are of opinion that the same
3 is insolvent, or that its condition is such as to render
4 its further proceeding hazardous to the public or
5 those having funds in its custody, they shall apply, or
6 if upon such examination they are of opinion that such
7 corporation has exceeded its powers or failed to com-
8 ply with any of the rules, restrictions or conditions
9 provided by law, they may apply to one of the justices
10 of the supreme judicial court to issue an injunction to
11 restrain such corporation in whole or in part from
12 further proceeding with its business until a hearing
13 can be had. Such justice shall forthwith issue pro-
14 cess for such purpose, and after a full hearing of the
15 corporation, may dissolve or modify the injunction, or
16 make the same perpetual, and make such orders and
17 decrees to suspend, restrain or prohibit the further
18 prosecution of the business of the corporation, as may
19 be needful in the premises, according to the course of
20 proceedings in equity; and he may appoint one or
21 more receivers or trustees to take possession of the
22 property and effects of the corporation, subject to
23 such rules and orders as may from time to time be

24 prescribed by the supreme judicial court, or any justice
25 thereof in vacation.

1 SECT. 6. The commissioners shall annually, on or
2 before the first day of January, make a report to the
3 secretary of the Commonwealth of the general con-
4 duct and condition of each of the corporations visited
5 by them, making such suggestions as they deem expe-
6 dient. Such report shall be printed under the direc-
7 tion of the secretary, and laid before the legislature at
8 its next session.

1 SECT. 7. If, in the opinion of the commissioners,
2 any such corporation, or its officers or trustees, shall
3 be found to have violated any law in relation to sav-
4 ings banks or institutions for savings, they shall forth-
5 with report the same to the secretary of the Common-
6 wealth, with such remarks as they deem expedient;
7 the secretary shall notify the attorney-general thereof,
8 who shall forthwith institute a prosecution for such
9 violation, in behalf of the Commonwealth.

1 SECT. 8. The commissioners shall exercise all the
2 powers, and perform all the duties required of bank
3 commissioners under the fifty-seventh chapter of the
4 General Statutes, and subsequent acts relating to
5 banks of discount, authorized by the laws of this
6 Commonwealth; but said commissioners shall not be
7 required to visit such banks except when they shall
8 deem it necessary.

1 SECT. 9. The commissioners shall each receive a
2 salary of two thousand dollars. They may appoint
3 one or more clerks to their board and prescribe their

4 duties: *provided*, that the annual expense thereof shall
5 not exceed twenty-five hundred dollars. And chapter
6 one hundred and seventy-eight of the acts of the year
7 eighteen hundred and sixty, entitled an act to provide
8 clerical assistance to the board of insurance commis-
9 sioners is hereby repealed.

1 SECT. 10. The returns of savings banks and
2 institutions for savings required by chapter fifty-
3 seven, section one hundred and forty-eight, of the
4 General Statutes, shall hereafter be made to the com-
5 missioners, and said commissioners shall perform all
6 the duties respecting returns required of the secre-
7 tary in section one hundred and forty-nine of the
8 same chapter.

1 SECT. 11. This act shall take effect upon its
2 passage.





