

SENATE No. 105

To accompany the petition of the Savings Banks Association of Massachusetts, by D. S. Sylvester, executive manager, for legislation to further modify the requirements for making certain railroad bonds legal investments for savings banks, institutions for savings and trust companies in their savings departments. Banks and Banking.

The Commonwealth of Massachusetts

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

An Act further modifying the Requirements for making Certain Railroad Bonds Legal Investments for Savings Banks, Institutions for Savings and Trust Companies in their Savings Departments.

1 *Whereas*, The deferred operation of this act would
2 tend to defeat its purpose, therefore it is hereby de-
3 clared to be an emergency law, necessary for the im-
4 mediate preservation of the public convenience.

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 eighty-four of the acts of nine-
2 teen hundred and thirty-six is hereby repealed.

1 SECTION 2. Wherever in clauses third and six-
2 teenth of section fifty-four of chapter one hundred and
3 sixty-eight of the General Laws a number of fiscal
4 years is mentioned, the fiscal years beginning in the

5 years nineteen hundred and thirty-one to nineteen
6 hundred and thirty-eight, both inclusive, shall be ex-
7 cluded from the count, if the inclusion of such years or
8 any one or more of them would render the security of
9 any railroad ineligible for investment, and all railroad
10 securities which were eligible for investment by sav-
11 ings banks on January first, nineteen hundred and
12 thirty-one or have become eligible for such investment
13 since that date, or shall hereafter, prior to April first,
14 nineteen hundred and forty, become eligible for such
15 investment, shall continue to be eligible for such
16 investment until April first, nineteen hundred and
17 forty; provided, however, that the securities of a
18 railroad company which has defaulted during the
19 year nineteen hundred and thirty-one, or which shall
20 have defaulted prior to April first, nineteen hundred
21 and forty, in the payment of matured principal or
22 interest of any of its mortgage or funded indebtedness
23 shall not be eligible for such investment.