

By Mr. Cohen of Newton, petition of David B. Cohen for legislation to establish a special revenue fund in the Executive Office of Consumer Affairs for compensation of victims of financial crimes. The Judiciary.

**The Commonwealth of Massachusetts**

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

AN ACT RELATIVE TO THE COMPENSATION OF VICTIMS OF FINANCIAL CRIMES.

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

- 1 The General Laws are hereby amended by inserting after
- 2 section 13 of chapter 6A the following new section: —
- 3 Section 13A. There is hereby established a special revenue fund
- 4 in the executive office of consumer affairs, subject to appropria-
- 5 tion by the General Court, known as the Compensation Fund For
- 6 Victims Of Financial Crimes, which shall be used to compensate
- 7 victims for actual out of pocket losses incurred by them due to
- 8 fraud committed by a financial adviser convicted by a court of
- 9 competent jurisdiction; provided, however, that the victim has
- 10 exhausted all customary and reasonable efforts to collect restitu-
- 11 tion but the financial adviser has filed for bankruptcy, fled the
- 12 jurisdiction, or the victim is otherwise unable to collect such resti-
- 13 tution. The secretary may promulgate such regulations as he may
- 14 deem necessary to implement this chapter not later than Decem-
- 15 ber 31, 1997.

