

HOUSE No. 2304

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, February 17, 1953.

The committee on Banks and Banking, to whom were referred the petition (accompanied by bill, Senate, No. 501) of Edward P. Clark for legislation to authorize the Arlington Five Cents Savings Bank to make further investments in the purchase and improvement of real estate in the town of Arlington to be used for the transaction of the business of said bank, the petition (accompanied by bill, Senate, No. 502) of Robert B. McGaw, Wendell P. Chamberlain, Ralph Lerche and others for legislation to authorize the Hampden Savings Bank to acquire additional real estate suitable for a parking lot, the petition (accompanied by bill, Senate, No. 503) of C. Lane Goss, President of the Worcester County Institution for Savings, and others that said institution be authorized to acquire additional real estate suitable for a parking lot, the petition (accompanied by bill, Senate, No. 504) of The Provident Institution for Savings in the Town of Boston, by George L. Wrenn, 2nd, and another, that said bank be authorized to make further investments in the purchase and improvement of real estate to be used for the transaction of its business, the petition (accompanied by bill, House, No. 810) of the Savings Banks Association of Massachusetts for legislation relative to the amount that may be invested by savings banks in banking premises and in alterations and addi-

tions to such promises, the petition (accompanied by bill, House, No. 2178) of John C. Bresnahan and other members of the General Court that the Essex Savings Bank be authorized to invest in improvement of its buildings in the city of Lawrence, the petition (accompanied by bill, House, No. 2179) of Philip K. Rowe that the Beverly Savings Bank be authorized to acquire additional real estate suitable for a parking lot and other banking purposes, the petition (accompanied by bill, House, No. 2180) of Robert F. Nutting and others that the Cambridgeport Savings Bank be authorized to expend money for the alteration or renovation of its bank property, and the petition (accompanied by bill, House, No. 2214) of the West Newton Savings Bank for legislation to authorize said bank to make further investments in the purchase and improvement of its real estate in the city of Newton, report the accompanying bill (House, No. 2304).

For the committee,

CHARLES W. PATTERSON.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Fifty-Three.

AN ACT RELATIVE TO THE AMOUNT THAT MAY BE INVESTED BY A SAVINGS BANK IN BANKING PREMISES AND IN ALTERATIONS IN AND ADDITIONS TO BANKING PREMISES OWNED OR LEASED BY SUCH A BANK.

1 *Whereas*, The deferred operation of this act would
2 tend to defeat its purpose which is to permit savings
3 banks to construct or alter bank buildings or add
4 parking facilities thereto, therefore, it is hereby de-
5 clared to be an emergency law necessary for the im-
6 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 54 of chapter 168 of the General Laws is
2 hereby amended by striking out clause Eleventh, as
3 most recently amended by chapter 160 of the acts of
4 1952, and inserting in place thereof the following:—
5 Eleventh. Any such corporation may invest in real
6 estate to be used in whole or in part for the con-
7 venient transaction of its business; provided, that
8 the aggregate amount invested in such real estate, in-
9 cluding the cost of land and of the erection or prep-
10 aration of buildings and parking facilities, and includ-
11 ing the cost of alterations and improvements in and
12 additions to such land or buildings, shall not exceed

13 an amount equivalent to twenty-five per cent of the
14 combined total of its guaranty fund, profit and loss
15 account and unallocated reserves. All such invest-
16 ments shall be made subject to the approval of the
17 commissioner, except an investment in alterations or
18 improvements involving an expense of twenty thou-
19 sand dollars or less made in any period of twenty-four
20 consecutive months. The amount authorized to be
21 invested by such a corporation in a bank building and
22 alterations therein and additions thereto, including
23 parking facilities, shall from time to time be increased
24 by all sums realized by it from any sale or other dis-
25 posal of the whole or any part thereof, and to the ex-
26 tent approved by the commissioner by sums charged
27 off by it for depreciation, obsolescence or amortiza-
28 tion. Any such corporation may, with the approval
29 of the commissioner, expend sums not exceeding, in
30 the aggregate, two per cent of the combined total of
31 its guaranty fund, profit and loss account and unallo-
32 cated reserves or seventy-five thousand dollars, which-
33 ever is the lesser, for alterations in, or additions to,
34 any premises leased by it for the transaction of its
35 business; provided, that the amount so authorized to
36 be expended shall from time to time be increased to
37 the extent approved by the commissioner by sums
38 charged off by it for depreciation, obsolescence or
39 amortization. This clause shall be applicable not-
40 withstanding any other authorization contained in any
41 special law enacted prior to January first, nineteen
42 hundred and fifty-three.