

SENATE No. 585

The Commonwealth of Massachusetts

PRESENTED BY:

Michael J. Rodrigues

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to the investment authority of the Massachusetts Credit Union Share Insurance Corporation.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Michael J. Rodrigues</i>	<i>First Bristol and Plymouth</i>	
<i>David F. DeCoste</i>	<i>5th Plymouth</i>	<i>1/31/2017</i>
<i>Paul A. Schmid, III</i>	<i>8th Bristol</i>	
<i>Alan Silvia</i>	<i>7th Bristol</i>	<i>2/3/2017</i>
<i>Patricia A. Haddad</i>	<i>5th Bristol</i>	<i>2/3/2017</i>

SENATE No. 585

By Mr. Rodrigues, a petition (accompanied by bill, Senate, No. 585) of Michael J. Rodrigues, David F. DeCoste, Paul A. Schmid, III, Alan Silvia and others for legislation relative to the investment authority of the Massachusetts Credit Union Share Insurance Corporation. Financial Services.

The Commonwealth of Massachusetts

**In the One Hundred and Ninetieth General Court
(2017-2018)**

An Act relative to the investment authority of the Massachusetts Credit Union Share Insurance Corporation.

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. Section 16 of chapter 294 of the acts of 1961 as most recently amended by
2 chapter 253 of the acts of 2014 is hereby further amended by adding after clause (iv) the
3 following clause:-

4 (v) Upon a 2/3 vote of its board of directors and having established that such activity will
5 not adversely affect its safety and soundness and having adequate policies and procedures to
6 ensure such investments governing the performance of the corporation and its employees, to
7 minimize any credit, market, liquidity, operations, legal and reputation risks to the corporation,
8 may make investments under the “prudent person” authority as follows:

9 (1) In investments not specifically enumerated in chapter 294, section 12 of the acts of
10 1961 and chapter 253, section 16 of the acts of 2014 with broad based authority. The
11 corporation may invest up to 25% of its assets in these investments at the time of purchase with

12 the investment in any one issuer not exceeding 5% of the corporation's total assets at the time of
13 purchase.

14 (2) The corporation may authorize investment advisers registered under the Investment
15 Advisers Act of 1940 to acquire or dispose of investments for the corporation.