SENATE DOCKET, NO. 304 FILED ON: 1/19/2011

SENATE . . . . . No. 1004

The Commonwealth of Massachusetts

PRESENTED BY:

Stephen M. Brewer

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 passage of the accompanying:

An Act authorizing municipal use of the prudent investor standards..

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Stephen M. Brewer	*Worcester, Hampden, Hampshire, Franklin*
John H. Rogers	*12th Norfolk*
Viriato Manuel deMacedo	*1st Plymouth*
John V. Fernandes	*10th Worcester*

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SENATE . . . . . No. 1004

By Mr. Brewer, a petition (accompanied by bill, Senate, No. 1004) of Stephen M. Brewer, John H. Rogers, Viriato Manuel deMacedo and John V. Fernandes for legislation to authorize municipal use of the prudent investor standards. Municipalities and Regional Government.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE
SENATE
, NO. *761* OF 2009-2010.]

The Commonwealth of Massachusetts

An Act authorizing municipal use of the prudent investor standards..

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

SECTION 1. : Section 54 of chapter 44 of the General Laws is hereby amended as follows:

The current text of General Laws Chapter 44, Section 54, shall be subtitled "(a) General Rule:" and the following paragraph shall be added to said section 54 as follows:

(b) Prudent Investor Rule

This paragraph shall take effect in any city, town or district upon acceptance in accordance with the provisions of General Laws Chapter 4, Section 4. Upon acceptance of this paragraph any city, town, or district may manage trust funds held in its custody as a combined investment pool and may invest said funds in accordance with the provisions of the Massachusetts Prudent Investor Act (General Laws Chapter 203C) and not in accordance with paragraph (a) of this section. If any provision of this paragraph conflicts with the terms of a bequest, trust or other instrument that expresses the clear intent of the donor, then such funds may be managed and invested only in accordance with the terms of such bequest, trust or other instrument.