

**HOUSE . . . . . No. 1077**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

*James J. O'Day*

*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 board of directors of the Massachusetts Credit Union Share Insurance Corporation.

PETITION OF:

NAME:

*James J. O'Day*

DISTRICT/ADDRESS:

*14th Worcester*

**HOUSE . . . . . No. 1077**

By Mr. O'Day of West Boylston, a petition (accompanied by bill, House, No. 1077) of James J. O'Day relative to the board of directors of the Massachusetts Credit Union Share Insurance Corporation. Financial Services.

**The Commonwealth of Massachusetts**

**In the One Hundred and Ninety-First General Court  
(2019-2020)**

An Act relative to the board of directors 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 4 of Chapter 294 of the Acts of 1961, as most recently amended by  
2 Section 2 of Chapter 168 of the Acts of 2004 is hereby amended by striking Section 4 and  
3 inserting in place thereof the following:-

4 Section 4. There shall be a board of not less than nine, or more than fifteen, members  
5 who shall be elected by the delegates of the members as follows:

6 (a) Not less than six, or more than eleven, directors shall be elected from the member  
7 credit unions. Directors elected from the membership shall serve in the capacity of president or  
8 chief executive officer, or equivalent, of the member credit union at the time of their election.

9 (b) On and after the annual meeting of the corporation to be held in the year nineteen  
10 hundred and eighty-six, directors may also be elected from excess member credit unions so long

11 as the combined number of regular member and excess member directors, subject to the  
12 exception contained in subparagraph (a), does not exceed eleven.

13 (c) There shall be three or four outside directors, as defined in subparagraph (d) and  
14 determined pursuant to subparagraph (e).

15 (d) Outside directors shall be elected from a list of persons nominated by member  
16 credit unions, none of whom shall be directors, officers, employees, or agents of a member credit  
17 union or a director, trustee or other officer of any other financial institution. Each member credit  
18 union may nominate persons to be such a director by filing the name of such person with the  
19 board of directors not later than sixty days prior to the annual meeting; provided, however, that  
20 any such person shall be qualified by training and experience in one of the following fields:  
21 business judgement, insurance, investments, real estate, accounting or law.

22 Each director shall be elected for a three year term, except as otherwise provided in  
23 subparagraph (c). All directors shall be sworn and hold office until their successors are qualified.  
24 If a person elected does not within thirty days thereafter take the oath of office, his office shall  
25 thereupon become vacant. The directors shall fill any vacancies on the board until the next  
26 annual meeting. The directors may from time to time adopt such rules and regulations as they  
27 may deem necessary to effect the purposes of this act, provided that such rules and regulations  
28 shall not become effective until they have been approved by the commissioner, and for such  
29 purposes the commissioner may confer and advise with the directors and furnish them with such  
30 information as they may request.

31 There shall be a chairman of the board, vice-chairman of the board, president, treasurer  
32 and clerk of the corporation and such other officers and committees thereof as the board of

33 directors may deem necessary, which officers and committees shall be elected annually by the  
34 directors, at a meeting held not more than 60 days following the adjournment of the annual  
35 delegates meeting. The chairman and vice-chairman shall be elected from the board of directors  
36 and the president may be elected from the board of directors. The clerk of the corporation shall  
37 be the clerk of the board of directors. The directors may fill any vacancies in said offices and  
38 committees until the next annual meeting and, for cause shown, may remove by a two thirds vote  
39 of all members of the board, any officer or committee member.

40           The number of directors provided in subsections (a) and (c) shall be determined from  
41 time to time by a two-thirds vote of the Board of Directors. Notwithstanding such vote by the  
42 Board of Directors, any person who is serving as a director of the corporation at the time of such  
43 a vote shall be entitled to serve the remaining time on their then current term of office.