

**HOUSE . . . . . No. 4557**

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The Commonwealth of Massachusetts

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HOUSE OF REPRESENTATIVES, December 18, 2014.

The committee on Ways and Means, to whom was referred the Bill providing for a labor/management workplace and education trust fund at the University of Massachusetts Amherst (House, No. 3698), reports recommending that the same ought to pass with an amendment substituting therefor the accompanying bill (House, No. 4557).

For the committee,

BRIAN S. DEMPSEY.

The Commonwealth of Massachusetts

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**In the Year Two Thousand Fourteen**  
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An Act relative to trust funds at the University of Massachusetts.

*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. Line item 1599-7104 of section 2 of chapter 165 of the acts of 2014 is  
2 hereby amended by inserting at the end thereof the following words:- the university shall  
3 transfer \$7,633,597 into the Haverhill Satellite Center Trust Fund.

4           SECTION 2. (a) There shall be established and set up on the books of the commonwealth  
5 a Haverhill Satellite Center Trust Fund which shall be administered by the University of  
6 Massachusetts. Monies in the trust fund shall be deposited with the state treasurer in a manner  
7 that will secure the highest interest rate available consistent with the safety of the trust fund and  
8 with the requirement that all amounts on deposit be available for immediate use. There shall be  
9 credited to the trust fund any funds appropriated or transferred to the trust fund by the general  
10 court; all interest earned on monies in the trust fund; and any monies received from public and  
11 private sources as gifts, grants or donations. The fund shall make expenditures from the fund  
12 without further appropriation to provide expenditures related to the Haverhill Satellite Center  
13 including but not limited to operational expenses, lease payments and outfitting of the center in  
14 Haverhill. Expenditures from the fund shall not be subject to appropriation and balances  
15 remaining at the end of the fiscal year shall not revert to the General Fund nor be eligible for  
16 transfer to the General Fund under section 13A of chapter 29 of the General Laws.

17           (b) The University of Massachusetts shall annually file a report with the executive office  
18 for administration and finance and the senate and house committees on ways and means detailing  
19 the expenditures under this section on or before June 30 of each year.

20           SECTION 3. For the purpose of this section, the following words shall have the  
21 following meanings:-

22           “Bank”, a national bank, trust company or banking company.

23 “Employee”, a person employed by the University of Massachusetts at Amherst and a  
24 member of the collective bargaining units represented by the unions.

25 “Employer”, the University of Massachusetts at Amherst.

26 “Labor-Management Workplace Education Program” or “program”, the joint labor and  
27 management educational partnership between the University of Massachusetts at Amherst and  
28 the employee unions.

29 “Union”, the American Federation of State, County and Municipal Employees Council  
30 93 and its affiliated local American Federation of State, County and Municipal Employees Local  
31 1776; the Massachusetts Teachers Association and its affiliated associations, the University Staff  
32 Association, and the Professional Staff Union, Unit B.

33 SECTION 2. (a) There shall be at the University of Massachusetts at Amherst a trust fund  
34 to be known as the Labor-Management Workplace and Education Trust Fund, hereinafter  
35 referred to as the “fund,” to support the operations and activities of the University of  
36 Massachusetts Labor-Management Workplace Education Program.

37 (b) The fund shall be overseen by a board of trustees, hereinafter referred to as the  
38 “board,” which shall consist of 6 members: 3 of whom shall be selected by the employer and 3 of  
39 whom shall be selected by the union; provided however, that no 2 union board members shall be  
40 from the same union. The board shall be co-chaired by 2 of the trustees, 1 selected by the  
41 employer trustees and 1 selected by the union trustees. The trustees shall be responsible for  
42 depositing all contributions, including, but not limited to, employer contributions, donations,  
43 funds, stocks, share certificates, bonds, securities and all other obligations in a bank selected by  
44 the board in compliance with section 34 of chapter 29 of the General Laws.

45 (c) The trustees shall use all funds exclusively in support of the program; provided, that  
46 the board may make appropriations necessary to administer the fund, including the employment  
47 of administrative, legal, accounting, expert, consultative and clerical assistance, the purchase or  
48 lease of buildings or land, and the purchase or lease of materials, supplies, and equipment the  
49 trustees determine necessary in the performance of their duties. The trustees shall serve without  
50 compensation but may be reimbursed for all reasonable and necessary expenses which they may  
51 incur in the performance of their duties.

52 (d) The trustees shall keep true and accurate books of accounts and records of all  
53 transactions of the fund and shall cause said books to be audited by a certified public accountant  
54 each fiscal year. The accountant shall be made available to the employer and the union and shall  
55 submit a final audit in writing to the trustees. Any employee or beneficiary shall be permitted to  
56 inspect the books and records maintained by the trustees; provided, that the request is at a  
57 reasonable time and place as determined by a majority of the trustees and that the inspection does  
58 not interfere with the operation of the fund.

59 (e) If a civil action is brought against a trustee the trustee shall be indemnified for all  
60 expenses incurred in the defense of the action and shall be indemnified for damages if the claim  
61 arose out of acts performed by the trustee while acting within the scope of the trustee's official  
62 duties; provided, however, that a trustee shall not be indemnified for expenses incurred in the  
63 defense of an action, or damages awarded in an action, in which there is shown to be a breach of  
64 fiduciary duty, an act of willful dishonesty or an intentional violation of law by the trustee. Such  
65 indemnification shall be paid from amounts held in the fund.

66 SECTION 4. Section 3 shall expire on January 1, 2020.

67 SECTION 5. Section 2 shall expire on June 30, 2027.

68 SECTION 6. This act shall take effect upon its passage.