

# Massachusetts Credit Unions



*Creating Cooperative Power*

## Cooperative Credit Union Association, Inc. Summary of 2021-2022 Legislative Proposals

### 1. An Act Relative to Growth Opportunities for State Financial Institutions

**Bill Number: S.656**

[Bill S.656 \(malegislature.gov\)](#)

**Sponsor: Senator Sal DiDomenico (Everett)**

**Co-Sponsors: Representative Tami Gouveia (Acton)**

**Representative Steven Howitt (Seekonk)**

**Representative Lindsay Sabadosa (Northampton)**

**Hearing: October 26, 2021**

**Status: Pending in Joint Committee on Financial Services**

Authorizes a mutual bank or credit union to combine with a mutual bank, stock bank or credit union in connection with purchasing the assets and/or assuming the liabilities, in whole or in part, and a voluntary liquidation by amending relevant bank and credit union law only where the mutual bank or credit union is the surviving entity. Further, the bill permits such a transaction on an expedited basis as may be needed based on existing federal bank regulatory provisions for business combinations involving the purchase of all assets and all liabilities.

### 2. An Act to Strengthen the State Credit Union Charter

**Bill Number: H.1108**

[Bill H.1108 \(malegislature.gov\)](#)

**Sponsor: Representative Patricia Haddad (Somerset)**

**Co-Sponsors: Representative Tami Gouveia (Acton)**

**Representative Steven Howitt (Seekonk)**

**Representative Lindsay Sabadosa (Northampton)**

**Hearing: October 26, 2021**

**Status: Pending in Joint Committee on Financial Services**

### An Act to Strengthen the State Credit Union Charter

**Bill Number: S.735**

[Bill S.735 \(malegislature.gov\)](#)

**Sponsor: Senator John Velis (Westfield)**

**Co-Sponsor: Representative Tami Gouveia (Acton)**

**Hearing: October 26, 2021**

**Status: Pending in Joint Committee on Financial Services**

Permits mutual bank and state credit union mergers, with credit unions as the survivor, and mutual bank conversions to a state credit union charter by amending both bank and credit laws. It also seeks to expand credit union investment opportunities to include asset-backed securities, core data processors and certain other banking activities, fintechs, each subject to an aggregate cap of 10% of assets, and the Massachusetts Capital Growth Corporation. Finally, the measure seeks deletion of the outdated requirement that lending be automatically suspended when the liquidity reserve falls below 5% of the total assets of a credit union.

3. **An Act Relative to Public Funds**

**Bill Number: H.1213**

**[Bill H.1213 \(malegislature.gov\)](http://malegislature.gov)**

**Sponsor: Representative Jonathan Zlotnik (Gardner)**

**Co-Sponsors: Representative Kimberly Ferguson (Holden)**

**Senator Anne Gobi (Spencer)**

**Representative Thomas Golden, Jr. (Lowell)**

**Representative Tami Gouveia (Acton)**

**Representative Natalie Higgins (Leominster)**

**Representative Hannah Kane (Shrewsbury)**

**Representative David Muradian, Jr. (Grafton)**

**Representative Lindsay Sabadosa (Northampton)**

**Representative Susannah Whipps (Athol)**

**Hearing: October 26, 2021**

**Status: Pending in Joint Committee on Financial Services**

Authorizes the placement of state and municipal deposits as public funds into credit unions and federal credit unions in the Commonwealth of Massachusetts. It amends relevant statutes to permit credit unions and federal credit unions to be permissible depositories for state and municipal treasurers and collectors, including school districts, to make deposits for investment and other purposes. The total of public funds permitted is not to exceed, at any time, 25% of the assets of the credit union.