HOUSE . . . . No. 445

By Mr. Lombardi of Cambridge, petition of Michael J. Lombardi relative to increasing the money available to certain banks for mortgage loans to homeowners. Banks and Banking.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty.

AN ACT INCREASING THE MONEY AVAILABLE TO CERTAIN BANKS FOR MORTGAGE LOANS TO HOMEOWNERS.

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

Clause Third of section 5 of chapter 59 of the General Laws is hereby amended by adding the following subsection:—

(f) Real or personal property of an educational institution, providing instruction above the secondary level as a college or university, shall not be exempt unless such institution shall bank with banks who maintain their principal offices within the city or town in which such college or university is located in an amount that shall not be less than seventy-five per cent of all banking, including, but not limited to, checking accounts, savings accounts, certificates of deposits, correspondent banking and such other acounts as may be maintained. As used in the subsection banking shall mean total balances on deposit in all banks within the United States. Such sums shall be deposited in said banks in an amount not exceeding ten per cent in any one bank, and if less than ten banks are located within said city or town, such sums shall be divided as evenly as practicable among banks with principal offices within such city or town.

Such funds as are deposited in each of said banks shall be used, in amounts that shall not exceed such limits as are provided by the General Laws, or the commissioner of banks or other authorized supervisory agencies, to finance mortgages on one to three family owner occupied houses; or shall be used under the provisions of the Community Re-Investment Act of 1977 (Public Law No. 95-128); or shall be used to finance mortgages guaranteed by the Federal Housing Administration or by the Mass. Housing Finance Agency.

In the event that a college or university shall provide schools or instruction in more than one city or town, the city or town in which its principal undergraduate programs are provided shall be the city or town in which deposits shall be made in compliance with this subsection.

This subsection shall not apply to any college or university operated or controlled by the commonwealth or any of its political sub-divisions or to a college or university situated in a town having a population of less than 25,000.

CCM-101

City of Cambridge

AMENDED ORDER

12.
IN CITY COUNCIL
March 24, 1980

COUNCILLOR W. SULLIVAN
COUNCILLOR RUSSELL

WHEREAS: The money market, both nationally and locally, continues to worsen almost on a daily basis with mortgage rates currently at 19%; and

WHEREAS: The City of Cambridge has the unique position of having two of the most prestigious major league colleges in the country within its boundaries; and

WHEREAS: Neither of these universities pay taxes to the city, although deriving benefit from certain municipal services provided by the city; now therefore be it

RESOVLED: That this City Council go on record as being in favor of House Bill No. 445, the same being "AN ACT INCREASING THE MONEY AVAILABLE TO CERTAIN BANKS FOR MORTGAGE LOANS TO HOMEOWNERS"; and be it further

RESOLVED: That the City Clerk be and hereby is requested to forward a copy of this resolution to our Legislative Agent and request that he represent the Council's position at the appropriate hearing before the legislature.

In City Council March 24, 1980
Adopted as amended by the affirmative vote of 8 members.
Attest: Paul E. Healy, City Clerk

A true copy,
ATTEST: Paul E. Healy

CCM-101

City of Cambridge

12.
IN CITY COUNCIL
March 24, 1980

COUNCILLOR W. SULLIVAN
COUNCILLOR RUSSELL

WHEREAS: The money market, both nationally and locally, continues to worsen almost on a daily basis with mortgage rates currently at 19%; and

WHEREAS: The City of Cambridge has the unique position of having two of the most prestigious ivy league colleges in the country within its boundaries; and

WHEREAS: Neither of these universities pay taxes to the city, although deriving benefit from certain municipal services provided by the city; now therefore be it

RESOLVED: That this City Council go on record as being in favor of House Bill No. 445, the same being "AN ACT INCREASING THE MONEY AVAILABLE TO CERTAIN BANKS FOR MORTGAGE LOANS TO HOMEOWNERS"; and be it further

RESOLVED: That the City Clerk be and hereby is requested to forward a copy of this resolution to our Legislative Agent and request that he represent the Council's position at the appropriate hearing before the legislature.

Order #12

S-126

C. W. Sullivan & C. Russell resolutions favoring the filing of House Bill No. 445 entitled "AN ACT INCREASING THE MONEY AVAILABLE TO CERTAIN BANKS FOR MORTGAGE LOANS TO HOMEOWNERS".

In City Council,

March 24, 1980

3/24/1980

[illegible]

Adopted as amended

Delete 'ing' and

substitute '[illegible]'

-Motion carried-

[illegible]

Copy sent to
Leg. Agent
Order & Legislation
3/26/80 (dl)