

HOUSE No.

The Commonwealth of Massachusetts

PRESENTED BY:

David M. Nangle

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 bill:

An Act clarifying certain banking laws.

PETITION OF:

NAME:

David M. Nangle

DISTRICT/ADDRESS:

17th Middlesex

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT CLARIFYING CERTAIN BANKING LAWS.

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:

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3 Section 14C of chapter 167 of the General Laws, as appearing in the 2006 Official Edition, are hereby
4 repealed

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6 SECTION 2:

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8 Section 47 of chapter 167 of the General laws, as so appearing, is hereby repealed.

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10 SECTION 3:

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12 Section 2 of chapter 167D of the General Laws, as appearing in the 2006 Official Edition, is hereby
13 amended by striking out subparagraph 1 and inserting in place thereof the following paragraph:-

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15 1. To receive deposits as authorized by sections 2 to 12, inclusive, and sections 21 and 31 and to receive
16 demand, time and other types of deposits upon such terms and conditions as may be agreed upon between
17 the depositor and the bank; provided, however, that a bank shall make available to a natural person 18
18 years of age or under or 65 years of age or older a demand deposit account and savings account which, in
19 each instance, shall include a joint account in which the spouse of the eligible depositor, regardless of age,

20 is the joint tenant therein or the joint tenant would otherwise be an eligible depositor, and which has been
21 established and used for personal, family or household purposes, upon which no service, maintenance or
22 other similar charge shall be imposed. Any such account shall not be subject to: (i) a minimum balance
23 requirement, (ii) a charge for a check, deposit or withdrawal, or (iii) a fee for the initial order or
24 subsequent refills of the basic line of checks offered by the bank, which shall include the name of the
25 depositor. For the purposes of this section, the term "savings account" shall include a regular passbook,
26 statement savings or regular NOW account, so-called. The commissioner shall, by regulation, establish
27 the procedure whereby a person may demonstrate eligibility and apply for the account. A bank may,
28 however, assess a fee for certain services in accordance with the bank's published service charge schedule
29 which shall include stop payment orders, wire transfers, certified or bank checks, money orders, and
30 deposit items returned, transactions at electronic branches and through other electronic devices, and
31 services not directly associated with the deposit, withdrawal or transfer of funds from any such account as
32 may be approved by the commissioner; and that the bank may assess a reasonable charge, as determined
33 by the commissioner, against any such account when payment on a negotiable or transferable instrument
34 drawn on the account has been refused because of insufficient funds. A bank shall, in the manner
35 prescribed by the commissioner, post in each of its banking offices a notice informing consumers of the
36 availability of the banking services prescribed by this section. A law imposing liability for a violation of
37 this section shall apply not to an act done or omitted in good faith in conformity with a rule, regulation or
38 interpretation thereof by the commissioner, notwithstanding that after that act or omission has occurred,
39 the rule, regulation or interpretation has been amended, rescinded or determined by judicial authority to
40 be invalid.