

HOUSE No. 1266

By Mr. Ferguson of Lexington, petition of the Massachusetts Co-operative Bank League relative to loans made by banking institutions and insurance companies to veterans of World War II guaranteed or insured by the administration of veterans' affairs. Banks and Banking.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Forty-Seven.

AN ACT RELATIVE TO LOANS MADE BY BANKING INSTITUTIONS AND INSURANCE COMPANIES TO VETERANS OF WORLD WAR II GUARANTEED OR INSURED BY THE ADMINISTRATOR OF VETERANS' AFFAIRS.

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. Chapter 46 of the acts of 1945, as
2 amended by chapter 126 of the acts of 1946, is hereby
3 further amended by striking out section 1, and insert-
4 ing in place thereof the following: —

5 *Section 1.* Subject to such regulations as the com-
6 missioner of banks deems to be necessary or advisable
7 in respect to trust companies, savings banks, co-
8 operative banks or credit unions, and to such regula-
9 tions as the commissioner of insurance deems to be
10 necessary or advisable in respect to insurance com-
11 panies, any trust company, savings bank, co-operative
12 bank, credit union or insurance company organized

13 under the laws of this commonwealth is authorized,
14 for a period ending ten years after the termination of
15 the present states of war between the United States
16 and certain foreign countries:— (a) to make such
17 loans and advances of credit to qualified veterans of
18 World War II as are guaranteed or insured in whole
19 or in part by the administrator of veterans' affairs or
20 his successors in such office, under the act of congress
21 known as the Servicemen's Readjustment Act of 1944,
22 or any amendment thereof, and to obtain such guar-
23 anties or insurance; and (b) to sell to any federal
24 agency first mortgage loans made under the provisions
25 of this section and to purchase from any such agency
26 first mortgage loans so made on real estate situated in
27 the commonwealth and to collect and apply payments
28 due upon and otherwise to service any such mortgage
29 loans and to charge therefor.

1 SECTION 2. Section 2 of said chapter 46 as so
2 amended, is hereby further amended by inserting after
3 the word "made" in the eighth line the words:— or
4 purchased, — so as to read as follows:— *Section 2.*
5 During the period that the provisions of this act are
6 in force and effect, and, with respect to the obligation
7 of any contract entered into during said period under
8 the provisions of this act, for the life of said obligation,
9 no provision of law limiting the power of a trust com-
10 pany, savings bank, co-operative bank, credit union or
11 insurance company organized under the laws of this
12 commonwealth to make loans shall apply to loans
13 made or purchased pursuant to section one of this
14 act, subject to regulations referred to in section one
15 and guaranteed or insured in whole or in part by the
16 administrator of veterans' affairs.