

By Mr. Richard F. Finnigan of Boston, petition of Richard F. Finnigan, Kevin W. Fitzgerald and Daniel F. Pokaski for legislation to prohibit unfair discrimination in the granting of mortgages. Banks and Banking.

**The Commonwealth of Massachusetts**

In the Year One Thousand Nine Hundred and Seventy-Six.

**AN ACT TO PROHIBIT UNFAIR DISCRIMINATION IN THE GRANTING OF MORTGAGES.**

*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 4 of chapter 151B of the General Laws is hereby  
2 amended by striking out subsection 3B, as amended by Chapter  
3 874, section 2 of the acts of 1971, and inserting in place thereof  
4 the following section: —

5 3B. For any person, firm, partnership, association, corpora-  
6 tion, financial institution, or any other lender doing business in  
7 the commonwealth, or any agent or employee thereof, to whom  
8 application is made for financial assistance for the purchase,  
9 lease, acquisition, construction, rehabilitation, repair, or  
10 maintenance of any real property:

11 (a) to discriminate against any person or group of persons  
12 because of race, creed, religion, national origin, sex, marital  
13 status with regard to public assistance or disability of such  
14 persons or group of persons or of the prospective occupants or  
15 tenants of such real property, or because such person or group of  
16 persons desire to obtain a loan on real property in [a] certain  
17 geographic area[s] in the granting, withholding, extending,  
18 modifying, or renewing, or in the rates, terms, conditions, or  
19 privileges of any such financial assistance or in the extension of  
20 services therewith; (b) to use any form of application for such  
21 financial assistance or to make any record or inquiry in  
22 connection with such applications for such financial assistance  
23 which expresses, directly or indirectly, any limitation, specifica-

24 tion, or discrimination as to geographic area, or any intent to  
 25 make such limitation, specification, or discrimination, in the  
 26 granting, withholding, extending, modifying or renewing, or in  
 27 the rates, terms, conditions, or privileges of any such financial  
 28 assistance or in the extension of services in connection therewith;  
 29 (c) to differentiate between various sections, communities, towns  
 30 or cities of the commonwealth on the basis of the age of  
 31 structures, the income level, or the social, ethnic, or racial  
 32 composition of that area. The criteria for accepting or refusing  
 33 such a request for financial assistance shall be based solely on  
 34 reasons of economic feasibility, the creditworthiness of the  
 35 individual applicant[s], as determined by an examination of his  
 36 or their financial assets and liabilities, and the physical condition  
 37 of the individual property on which the loan is to be made. In the  
 38 event of refusal, any applicant[s] for such financial assistance may  
 39 request the reasons for refusal to be made by the lender in writing  
 40 at the time of such denial.