
To accompany the petition of Joseph F. Gibney for legislation to further regulate the rates of interest that may be charged on certain loans. Banks and Banking.

The Commonwealth of Massachusetts

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

AN ACT FURTHER REGULATING THE RATES OF INTEREST
THAT MAY BE CHARGED ON CERTAIN LOANS.

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 140 of the General Laws is
2 hereby amended by substituting in sections 90 through
3 94 inclusive, the words: — twenty-five hundred dollars,
4 — for the words “one thousand dollars”, wherever they
5 appear therein.

1 SECTION 2. Chapter 140 of the General Laws, sec-
2 tion 96, is hereby amended by substituting the words: —
3 fifteen hundred dollars, — for the words “three hundred
4 dollars”, wherever they appear therein.

1 SECTION 3. Chapter 140 of the General Laws, section
2 100, is hereby amended by adding after the words “com-
3 puted on unpaid balances” the words: — or, notwith-
4 standing any provisions in General Laws, chapter one
5 hundred and forty, to the contrary, an amount equiva-
6 lent to one dollar per hundred dollars per month dis-
7 counted from the amount of the loan for a period termi-
8 nating not later than one year after maturity, and to
9 six per cent, simple interest, per annum of the balance
10 owed after the termination of said year, — so as to read

11 as follows:— He shall establish the rate of interest to
12 be collected, and in fixing said rate shall have due re-
13 gard to the amount of the loan, and the nature of the
14 security, and the time for which the loan is made; but
15 the total amount to be paid on any loan for interest and
16 expenses shall not, in the aggregate, exceed an amount
17 equivalent to two per cent a month for period terminat-
18 ing not later than one year after maturity, and to six
19 per cent per annum after the termination of said year,
20 on the amount actually received by the borrower, com-
21 puted on unpaid balances, or, notwithstanding any pro-
22 visions in General Laws, chapter one hundred and forty,
23 to the contrary, an amount equivalent to one dollar per
24 hundred dollars per month discounted from the amount
25 of the loan for a period terminating not later than one
26 year after maturity, and to six per cent, simple interest,
27 per annum of the balance owed after the termination of
28 said year; and no licensee or company or association
29 to which sections ninety-six to one hundred and twelve,
30 inclusive, apply shall charge or receive upon any loan a
31 greater rate of interest than that fixed by the commis-
32 sioner. No charge, bonus, fee, expense or demand of any
33 nature whatsoever, except as above provided, shall be
34 made upon loans to which said sections relate.

1 SECTION 4. Chapter 140 of the General Laws, section
2 110, is hereby amended by substituting the words:—
3 fifteen hundred dollars, — for the words “three hundred
4 dollars”, wherever they appear therein.