

# SENATE . . . . . No. 18

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By Mrs. Fonseca, a petition (accompanied by bill, Senate, No. 18) of John F. Parker, Mary L. Fonseca and Larry P. Cole for legislation relative to open-end credit loans made by credit unions. Banks and Banking.

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## The Commonwealth of Massachusetts

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

### AN ACT RELATIVE TO OPEN-END CREDIT LOANS MADE BY CREDIT UNIONS.

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

- 1 Section 24 of Chapter 171 of the General Laws is hereby
- 2 amended by striking the second paragraph of subdivision (G)
- 3 thereof and inserting in place thereof the following:
- 4 "The total obligation of any one member to the credit union,
- 5 outstanding at any one time on this class of loans, shall not
- 6 exceed that amount which the credit union may extend to any
- 7 one member, exclusive of interest; provided, however, that
- 8 any two members may together obtain such a loan and the
- 9 total obligation, outstanding at any one time on this class of
- 10 loan, shall not exceed that amount which the credit union may
- 11 loan to both members, exclusive of interest. All monies dis-
- 12 bursed under this section shall, subject to such regulations as
- 13 the board of directors may prescribe, be paid as the member
- 14 may direct."

