

HOUSE No. 1001

By Mr. Donnelly of Lawrence, petition of James P. Donnelly that the rate of interest charged in the business of making small loans be reduced to one per cent per month. Banks and Banking.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Thirty-Eight.

AN ACT FURTHER REGULATING THE BUSINESS OF MAKING SMALL 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 one hundred of chapter one hundred and
2 forty of the General Laws, as appearing in the Ter-
3 centenary Edition thereof, is hereby amended by
4 striking out, in the fifth line, the word "three" and
5 inserting in place thereof the word: — one, — so as to
6 read as follows:— *Section 100.* He shall establish
7 the rate of interest to be collected, and in fixing said
8 rate shall have due regard to the amount of the loan,
9 and the nature of the security, and the time for which
10 the loan is made; but the total amount to be paid
11 on any loan for interest and expenses shall not in the
12 aggregate exceed an amount equivalent to one per
13 cent a month on the amount actually received by the
14 borrower, computed on unpaid balances; and no
15 licensee or company or association to which sections

16 ninety-six to one hundred and twelve, inclusive,
17 apply shall charge or receive upon any loan a greater
18 rate of interest than that fixed by the commissioner.
19 No charge, bonus, fee, expense or demand of any
20 nature whatsoever, except as above provided, shall
21 be made upon loans to which said sections relate.