

By Mr. Flaherty of Cambridge, petition of Charles F. Flaherty for legislation to prohibit banking institutions from imposing certain charges on their depositors. Banks and Banking.

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**The Commonwealth of Massachusetts**

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

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AN ACT TO PREVENT UNCONSCIONABLE CHARGES.

*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 114C, titled Unconscionable Bank  
2 Charges is hereby added to the General Laws as follows:

3 (a) Any depository institution doing business in the Common-  
4 wealth, including any federal or state chartered bank, credit union,  
5 savings and loan association, or savings bank, shall charge no  
6 more than five dollars (\$5.00) for a check, defined as a draft drawn  
7 upon the depository institution and payable on demand signed by  
8 the maker or drawer, containing an unconditional promise to pay  
9 a sum certain in money to the order of the payee, returned for  
10 insufficient funds or uncollected funds, and no more than seventy  
11 five cents (\$.75) for drawing a certified or cashier's check, to any  
12 account holder who is a natural person.

13 (b) Any institution violating this chapter shall be subject to suit  
14 by an aggrieved account holder. Upon finding a violation of this  
15 chapter in an action pursuant to this section, the court shall order  
16 such compensatory and injunctive relief as it may deem appropri-  
17 ate. A prevailing plaintiff in an action pursuant to this subsection  
18 shall be entitled to recover such reasonable attorneys' fees from the  
19 defendant as the court may direct. The Attorney General is also  
20 authorized to bring actions on behalf of the people of the Common-  
21 wealth for violation of this chapter.

22 (c) The Commonwealth banking commissioner shall investi-  
23 gate the fees assessed upon deposit accounts held by natural per-

24 sons, and report to the Senate and House of Representatives its  
25 findings and recommendations regarding the further regulation of  
26 such fees.

1 SECTION 2. If any clause, sentence, paragraph or part of this  
2 Act shall, for any reason, be adjudged by a court of competent  
3 jurisdiction to be invalid or invalid as applied to a class of cases,  
4 such judgment shall not affect, impair, or invalidate the remainder  
5 thereof and of this Act, but shall be confined in its operation to the  
6 clause, sentence, paragraph, or part thereof directly involved in the  
7 controversy in which such judgment shall have been rendered.