

HOUSE No. 1085

By Mr. Wojtkowski of Pittsfield, petition of Richard N. Hawkes for legislation to reorganize the Small Loans Regulatory Board. Banks and Banking.

The Commonwealth of Massachusetts

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

AN ACT REORGANIZING THE SMALL LOANS REGULATORY BOARD.

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

1 Chapter 26 of the General Laws is hereby amended by
2 striking out section 5A and inserting in place thereof the
3 following section: —

4 *Section 5A.* There shall be in the division, but not subject
5 to its control, a board to be known as the small loans regula-
6 tory board, hereinafter called the board, consisting of three
7 members who shall be appointed by the governor. Of the
8 appointed members, one shall be a member of the Bar of
9 Massachusetts selected by the governor from a list of five
10 members of the Bar who have been recommended by a joint
11 committee of the Boston Bar Association and the Massa-
12 chusetts Bar Association and one shall be a certified public
13 accountant selected by the governor from a list of five certified
14 public accountants who have been recommended by the Massa-
15 chusetts Society of Certified Public Accountants, Inc. No mem-
16 ber of the board shall, for at least one year next preceding his
17 appointment, have been an officer, director, stockholder,
18 employee, or pensioner of any finance company or banking
19 institution. Members of the board shall not serve on any
20 political committee of any political party.

21 The term of office of its members shall be six years; pro-
22 vided, however, that the first members shall serve for two, four
23 and six years, respectively. Any member chosen to fill a
24 vacancy occurring otherwise than by expiration of a term shall

25 be appointed for the unexpired term of the member he is to
26 succeed.

27 The board shall hold public hearings at least once every
28 three years to review existing interest rates. The board may, if
29 it deems necessary, hold hearings at more frequent intervals,
30 but in no event shall hearings be held more than once in any
31 twelve consecutive months. For the purposes of this paragraph,
32 a hearing and the adjournments thereof shall be considered one
33 hearing.

34 The board shall appoint a general counsel who shall repre-
35 sent and advise it at all hearings and executive proceedings. His
36 position shall not be classified under chapter thirty-one. He
37 shall receive a salary determined by the board with the ap-
38 proval of the commissioner of administration.

39 Members of the board shall receive as compensation fifty
40 dollars for each full day, or twenty-five dollars for each
41 half-day or fraction thereof, spent in the performance of their
42 official duties, but no member shall receive compensation
43 exceeding one thousand five hundred dollars in any fiscal year.
44 Members of the board shall be reimbursed for all necessary
45 expenses incurred by them in the performance of their official
46 duties.

47 All expenses incurred under the provisions of this section
48 shall be assessed against and collected from licensees under
49 sections ninety-six to one hundred and thirteen, inclusive, of
50 chapter one hundred and forty in proportion to the amount of
51 loans coming within the purview of said sections which are
52 shown as accounts receivable in the latest annual report filed
53 with the commissioner by such licensees.