

By Mr. Moore of Uxbridge, petition of the Gun Owners' Action League, Richard T. Moore and Augusta Hornblower for legislation to clarify certain restrictions on the lending of money by financial institutions under the law regulating the ownership or possession of firearms or ammunition. Public Safety.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Ninety-One.

AN ACT CLARIFYING RESTRICTIONS ON THE LENDING OF MONEY BY FINANCIAL INSTITUTIONS.

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 140, Section 129C is hereby amended by adding the
2 following new exemption: —

3 (t) the possession of firearms, rifles, shotguns, machine guns
4 and ammunition, therefor by banks or institutional lenders, or
5 their agents, servants or employees, when the same are possessed
6 as collateral for a secured commercial transaction or as a result
7 of a default under a secured commercial transaction.

8 Chapter 140, Section 131B is hereby amended by adding the
9 following new paragraph: —

10 Notwithstanding the above, nothing herein shall prohibit banks
11 or other institutional lenders from loaning money secured by a
12 mortgage, deposit, or pledge of firearms, rifles, shotguns or
13 machine guns to a manufacturer, wholesaler, or dealer of firearms,
14 rifles, or shotguns. The provisions of section 123 of this chapter
15 shall not be applicable to any such mortgage, deposit or pledge
16 unless or until the lender takes possession of the collateral upon
17 default or the collateral is removed from the premises of the
18 debtor.

19 Chapter 140, Section 128A is hereby amended by striking the
20 first sentence and replacing it with the following new sentence: —

21 The provisions of section one hundred and twenty-eight shall not
22 apply to any person who, without being licensed as provided in
23 section one hundred and twenty-two, sells or transfers firearms,
24 rifles or shotguns to a person licensed under section one hundred
25 and twenty-two, or to a federally licensed firearms dealer or to
26 a federal, state or local historical society, museum or institutional
27 collection open to the public.