

HOUSE No. 5898

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, April 4, 1985.

The committee on Banks and Banking, to whom was referred the petition (accompanied by bill, House, No. 732) of the Massachusetts Cuna Credit Union Association, Inc., and another for legislation to permit credit unions to make loans to members having special notice accounts, reports recommending that the accompanying bill (House, No. 5898) ought to pass.

For the committee,

THOMAS M. FINNERAN.

The Commonwealth of Massachusetts

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

AN ACT PERMITTING A CREDIT UNION TO MAKE LOANS TO A MEMBER WHO HAS A SPECIAL NOTICE ACCOUNT.

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

1 Paragraph 5 of section 24, subdivision (A), of chapter 171 of the
2 General Laws, as most recently amended by chapter 223 of the acts
3 of 1982, is hereby further amended by striking out the first sentence
4 and inserting in place thereof the following: — 5. Such credit union
5 may, upon application by a shareholder or depositor or by either of
6 two joint shareholders or depositors in a special notice account,
7 make a loan to him secured by his share or deposit passbook, in an
8 amount not exceeding said share or deposit balance, for a time not
9 extending beyond the end of the dividend period in which the loan
10 was made or one year from the day on which the loan was made,
11 whichever is longer.