

SENATE No. 7

By Mr. Berry, a petition (accompanied by bill, Senate, No. 7) of Frederick E. Berry for legislation relative to revolving credit agreements. Banks and Banking.

The Commonwealth of Massachusetts

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

AN ACT RELATIVE TO REVOLVING CREDIT AGREEMENTS.

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. Clause (1) of subsection B of section 27 of
2 Chapter 255D of the General Laws, as so appearing, is hereby
3 amended by striking out the first sentence and inserting in place
4 thereof the following:—

5 B. (1) An installment seller or holder thereof under a revolving
6 credit agreement may assess a finance charge upon the installment
7 buyer which shall not exceed the greater of one and one-half per-
8 cent per month or such rate imported into the state by an out-of-
9 state open end revolving credit grantor under federal law as certi-
10 fied by the Commissioner. Said finance charge shall be computed
11 upon the outstanding balance thereunder from month to month,
which need not be a calendar month, or regular period.

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2 SECTION 2. Clause 3(a) of subsection B of section 27 of chap-
3 ter 255D of the General Laws, as so appearing, is hereby amended
4 by striking out in line eight the following words:— excluding pur-
chases,.

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2 SECTION 3. Section 114B of Chapter 140 of the General
3 Laws, as so appearing, is hereby amended by striking out the
fourth paragraph.

