

By Mr. Mullins of Ludlow, petition of the Credit Union League of Mass., Inc., for legislation to increase the charge on dividend loans for credit unions. Banks and Banking.

The Commonwealth of Massachusetts

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

AN ACT TO INCREASE THE CHARGE ON DIVIDEND LOANS FOR CREDIT UNIONS.

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

1 Subparagraph 4 of subdivision (A) of Section 24 of Chapter 171
2 of the General Laws as amended and as most recently amended by
3 Chapter 78 of the Acts of 1980 is hereby further amended by
4 striking out the second sentence in said subparagraph 4 and insert-
5 ing in its place the following:

6 Said Credit union may charge the depositor or shareholder
7 interest for, or may collect discount in advance upon, the loan at a
8 rate not exceeding 3 percent more than the rate of the next proceed-
9 ing ordinary dividend of said credit union, and if an extra dividend
10 shall have been paid therewith, not exceeding 3 percent more than
11 the combined rates of such ordinary and extra dividend; provided,
12 that a minimum of three dollars may be charged or collected as
13 such interest or discount in the case of any such loan.

