

HOUSE No. 4341

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act CLARIFYING CERTAIN BANKING LAWS..

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 47 of chapter 167 of the General Laws, as appearing in the 2008 Official Edition,
2 is hereby repealed.

3 SECTION 2: Section 2 of chapter 167D, as so appearing, is hereby amended by striking
4 out subparagraph 1 and inserting in place thereof the following subparagraph:-

5 1. To receive deposits as authorized by this chapter and to receive demand, time and
6 other types of deposits upon such terms and conditions as may be agreed upon between the
7 depositor and the bank; provided, however, that a natural person 18 years of age or under or 65
8 years of age or older may choose one demand deposit account and one savings account which, in
9 each instance, shall include a joint account in which the spouse of the eligible depositor,
10 regardless of age, is the joint tenant therein or the joint tenant would otherwise be an eligible
11 depositor, and which has been established and used for personal, family or household purposes,
12 upon which no service, maintenance or other similar charge shall be imposed. Any such account
13 shall not be subject to: (i) a minimum balance requirement, (ii) a charge for a deposit or
14 withdrawal, or (iii) a fee for the initial order or subsequent refills of the basic line of checks

15 offered by the bank, which shall include the name of the depositor. For the purposes of this
16 subparagraph, the term “savings account” shall include a regular passbook, regular statement
17 savings or regular NOW account, so-called. A savings account in trust for another person is
18 covered by the notice, services, fee, and charge provisions of this subparagraph only if the trustee
19 is a person 18 years of age or under or 65 years of age or older. A consumer shall notify a bank
20 of his or her eligibility for such accounts and provide proof of age in a form acceptable to the
21 bank. A bank may, however, assess a fee for certain services in accordance with the bank’s
22 published service charge schedule which shall include, stop payment orders, wire transfers,
23 certified or bank checks, money orders, deposit items returned, transactions at electronic
24 branches and through other electronic devices; and that the bank may assess a reasonable charge,
25 as determined by the commissioner, against any such account when payment on a check or other
26 transaction on the account has been refused because of insufficient funds or paid despite
27 insufficient funds. A bank shall post in each of its banking offices a notice informing consumers
28 of the availability of the banking services prescribed by this subparagraph. A bank shall, in
29 addition to the notice posting requirement, disclose annually to all depositors, in a manner of its
30 choosing, the provisions of this subparagraph applicable to a person 18 years of age or younger
31 or 65 years of age or older. For the purposes of this subparagraph, the term “check or other
32 transaction” shall include but not be limited to a check for purposes of the Check Clearing for the
33 21st Century Act, 12 USC 5001 et seq., or an electronic funds transfer as defined in section 1 of
34 chapter 167B or regulations thereunder, or a transaction processed by an automated
35 clearinghouse.