

HOUSE No. 3778

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act creating a maximum allowable check-cashing rate.

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. Chapter 169A of the General Laws is hereby amended by adding after
2 section 13 the following section:

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4 Section 14. (a) Notwithstanding any other provision of the law to the contrary, no check-
5 cashier licensed or subject to regulation under this chapter shall directly or indirectly charge or
6 collect fees or other considerations for rendering currency exchange services in excess of the
7 following:

8 (1) 1.5 per cent of the face value of the check plus a service charge of one dollar for any
9 government check issued by the United States, the Commonwealth of Massachusetts or any
10 political subdivision thereof.

11 (2) 3 per cent of the face value of a payroll check 100 dollars or less plus a service
12 charge of one dollar; 2.25 per cent of the face value of a payroll check greater than 100 dollars
13 plus a service charge of one dollar.

14 (3) 5 per cent of the face value of the check or 5 dollars, whichever is greater, plus a
15 service charge of one dollar, for all personal checks.

16 (4) 3 per cent plus a service charge of 1 dollar for all other payment instruments,
17 including checks, drafts, or money orders.

18 (b) No check-casher licensed or subject to regulation under this chapter shall charge more
19 than 5 dollars to set up an initial customer account.

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21 SECTION 2. Section 13 of said chapter 169A is hereby amended by striking out, in line
22 2, the words “five hundred” and inserting in place thereof the following words: - one thousand.