

HOUSE No. 4341

The Commonwealth of Massachusetts

By Mr. Koutoujian of Waltham, for the committee on Financial Services, on House, No. 1001, a Bill clarifying certain banking laws (House, No. 4341) November 16, 2009.

An Act CLARIFYING CERTAIN BANKING LAWS.

FOR THE COMMITTEE:

NAME:

Peter J. Koutoujian

DISTRICT/ADDRESS:

10th Middlesex

The Commonwealth of Massachusetts

In the Year Two Thousand and 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2 is hereby repealed.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 out
4 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 other types
6 of deposits upon such terms and conditions as may be agreed upon between the depositor and the
7 bank; provided, however, that a natural person 18 years of age or under or 65 years of age or
8 older may choose one demand deposit account and one savings account which, in each instance,
9 shall include a joint account in which the spouse of the eligible depositor, regardless of age, is
10 the joint tenant therein or the joint tenant would otherwise be an eligible depositor, and which
11 has been established and used for personal, family or household purposes, upon which no
12 service, maintenance or other similar charge shall be imposed. Any such account shall not be
13 subject to: (i) a minimum balance requirement, (ii) a charge for a deposit or withdrawal, or (iii) a
14 fee for the initial order or subsequent refills of the basic line of checks offered by the bank,
15 which shall include the name of the depositor. For the purposes of this subparagraph, the term
16 “savings account” shall include a regular passbook, regular statement savings or regular NOW
17 account, so-called. A savings account in trust for another person is covered by the notice,
18 services, fee, and charge provisions of this subparagraph only if the trustee is a person 18 years
19 of age or under or 65 years of age or older. A consumer shall notify a bank of his or her
20 eligibility for such accounts and provide proof of age in a form acceptable to the bank. A bank
21 may, however, assess a fee for certain services in accordance with the bank’s published service
22 charge schedule which shall include, stop payment orders, wire transfers, certified or bank
23 checks, money orders, deposit items returned, transactions at electronic branches and through
24 other electronic devices; and that the bank may assess a reasonable charge, as determined by the

25 commissioner, against any such account when payment on a check or other transaction on the
26 account has been refused because of insufficient funds or paid despite insufficient funds. A bank
27 shall post in each of its banking offices a notice informing consumers of the availability of the
28 banking services prescribed by this subparagraph. A bank shall, in addition to the notice posting
29 requirement, disclose annually to all depositors, in a manner of its choosing, the provisions of
30 this subparagraph applicable to a person 18 years of age or younger or 65 years of age or older.
31 For the purposes of this subparagraph, the term “check or other transaction” shall include but not
32 be limited to a check for purposes of the Check Clearing for the 21st Century Act, 12 USC 5001
33 et seq., or an electronic funds transfer as defined in section 1 of chapter 167B or regulations
34 thereunder, or a transaction processed by an automated clearinghouse.