

**The 194th General Court of the Commonwealth of Massachusetts  
2025-2026  
Bill Summary**

**Bill No:** H1111

**Title:** AN ACT TO REQUIRE FINANCIAL INSTITUTIONS TO PAY LATE FEES WHEN IT FAILS TO CONDUCT AN ELETRONIC TRANSFER

**Sponsor:** Representative Tackey Chan

**Committee:** Financial Services

**Hearing Date:** April 15<sup>th</sup>, 2025

**Reporting Date:** June 14<sup>th</sup>, 20205

**Similar Matters:** N/A

**Prior History:** H934 (2019-2020) Study H1219 (2021-2022) Study H972 (2023-2024) Study

**Current Law:**

M.G.L. Chapter 167B §10 governs preauthorized transfers for electronic branches and electronic fund transfers. A financial institution shall comply with the requirements defined in §10. A consumer shall be entitled to remedies for specific errors made during an electronic fund transfer in accordance with the Electronic Funds Transfer Act, 15 USC 1693 et seq. and the regulations promulgated thereunder.

**Summary:**

The bill would insert a new section with a requirement that if a bank fails to pay a preauthorized transfer and the consumer is consequently charged with a fine, penalty, or interest by a third party, the financial institution must pay the fine within five days of notice. If the bank's failure is willful and knowingly, the consumer is entitled to triple damages.