

# **HOUSE . . . . . No. 4308**

---

---

## The Commonwealth of Massachusetts

---

HOUSE OF REPRESENTATIVES, January 21, 2020.

The committee on Consumer Protection and Professional Licensure to whom was referred the petition (accompanied by bill, House, No. 277) of Kay Khan and others for legislation to limit fees charged by cashers of checks, drafts or money orders, reports recommending that the accompanying bill (House, No. 4308) ought to pass.

For the committee,

TACKEY CHAN.

**HOUSE . . . . . No. 4308**

---

**The Commonwealth of Massachusetts**

**In the One Hundred and Ninety-First General Court  
(2019-2020)**

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. Section 13 of chapter 169A of the General Laws is hereby amended by  
2 striking out, in line 3, the words “five hundred” and inserting in place thereof the following  
3 words:- one thousand.

4           SECTION 2. Said chapter 169A is hereby amended by adding after section 13 the  
5 following new section:-

6           Section 14. (a) No licensee shall directly or indirectly charge or collect fees or other  
7 considerations for cashing checks payable to natural persons in excess of the following:

8           (1) 2.5 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) 2.25 per cent of the face value of a payroll check plus a service charge of one dollar.

12           (3) 5 per cent of the face value of the check or 5 dollars, whichever is greater, plus a  
13 service charge of one dollar, for all personal checks.

14           (4) 3 per cent plus a service charge of 1 dollar for all other payment instruments,  
15 including checks, drafts, or money orders.

16           (b) No licensee shall charge more than 5 dollars to set up an initial customer account.

17           SECTION 3. This act shall take effect as of December 31, 2020.