

SENATE No. 2323

The Commonwealth of Massachusetts

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In the One Hundred and Eighty-Ninth General Court
(2015-2016)
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SENATE, Thursday, June 9, 2016

The committee on Ways and Means, to whom was referred the Senate Bill creating a maximum allowable check-cashing rate (Senate, No. 152),-- reports, recommending that the same ought to pass with an amendment substituting a new draft with the same title (Senate, No. 2323).

For the committee,
Karen E. Spilka

The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

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, as appearing in the 2014
2 Official Edition, is hereby amended by striking out, in line 3, the words “five hundred dollars”
3 and inserting in place thereof the following figure:- \$1,000.

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

5 Section 14. (a) A casher of checks shall not charge or collect fees or other consideration
6 for cashing checks payable to a natural person in excess of a \$1 service charge plus:

7 (i) for a check issued by the commonwealth to a recipient of financial assistance
8 under section 2 of chapter 18 or for a check issued by the United States for a federal social
9 security benefit or other public assistance, 1.5 per cent of the face value of the check;

10 (ii) for all other government checks issued by the United States or by a state or
11 political subdivision of a state, 2.5 per cent of the face value of the check;

12 (iii) for a payroll check of \$100 or less, 3 per cent of the face value;

13 (iv) for a payroll check greater than \$100, 2.25 per cent of the face value;

14 (v) for a personal check, 5 per cent of the face value or \$5, whichever is greater;

15 or

16 (vi) for all other payment instruments, including checks, drafts or money orders, 5

17 per cent.

18 (b) No casher of checks licensed or subject to regulation under this chapter shall charge

19 more than \$5 to set up an initial customer account.