



COMMONWEALTH OF MASSACHUSETTS

DIVISION OF BANKS

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COMMISSIONER

January 23, 2024

By Electronic Mail to: CDesiderio@CityofMalden.org

Carol Ann T. Desiderio, City Clerk
City of Malden
City Clerk's Office
215 Pleasant Street, Room 220
Malden, Massachusetts 02148

RE: Malden Pawnbroker Ordinance

Dear Ms. Desiderio:

This letter is in response to your correspondence of January 8, 2024, on behalf of the City of Malden (the City) in which you notified the Division of Banks (Division) of a City ordinance governing the regulation and licensing of pawnbrokers. Your letter notes that City pawnbroker ordinance known as MCC 6.08.080.D.2, was amended by the Malden City Council and the Council Ordinance Committee in response to the Division's letter dated December 19, 2023. In that letter, the Division declined to approve the prior September 12, 2023 rate of interest of 10% per month requested by the City. Pursuant to Massachusetts General Laws chapter 140, section 78, pawnbroker regulations established by the City must be to the satisfaction of the Commissioner.

Your letter notes that the Malden City Council and the Council Ordinance Committee amended MCC 6.08.080.D.2 regarding pawnbrokers and that the amendment was ordained at the Malden City Council meeting on December 12, 2023. The amended pawnbroker rate being sought for approval from the Commissioner is 3% per month, or 36% per annum.

In accordance with Massachusetts General Laws chapter 140, section 78, the burden is upon the City, as the entity authorized to establish regulations relative to the rate of interest to be charged by pawnbrokers, to establish a record in a manner which will permit a determination by the Commissioner of the reasonableness of the interest rate so proposed.

Based upon the information submitted by the City, and pursuant to the authority granted by General Laws chapter 140, section 78, the Division hereby approves the pawnbroker regulations proposed in the Code of the City of Malden 6.08.080.D.2 reflecting a rate of 3% per month. Please be advised that this approval shall remain subject to the following conditions at all times in which such regulations remain in effect:

- (1) These pawnbroker regulations cannot be amended or changed in any way without the prior written approval of the Commissioner of Banks; and

(2) All such pawns must comply with the provisions of Massachusetts General Laws chapter 140.

Should you require clarification on the matters addressed above or have any questions, please contact Deputy Commissioner Andrea L. Cipolla at (617) 956-1500 extension 532 or andrea.cipolla@mass.gov.

Sincerely,

A handwritten signature in blue ink that reads "Mary L. Gallagher". The signature is written in a cursive, flowing style.

Mary L. Gallagher
Commissioner of Banks

A24023