

# SENATE . . . . No. 174

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To accompany the petition of James P. McAndrews for legislation to further regulate the conduct of collection agencies. Mercantile Affairs.

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## The Commonwealth of Massachusetts

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In the Year One Thousand Nine Hundred and Forty-Three.

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### AN ACT FURTHER REGULATING THE CONDUCT OF COLLECTION AGENCIES IN THE COMMONWEALTH.

*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 twenty-four of chapter ninety-  
2 three of the General Laws, as appearing in the Ter-  
3 centenary Edition, is hereby amended by inserting  
4 after the word "has" in the thirteenth line the  
5 words:— a place of business in the commonwealth  
6 and has, — so as to read as follows:— *Section 24.*  
7 No person, partnership, association or corporation,  
8 not being an attorney at law duly authorized to prac-  
9 tice in the commonwealth, a national bank or a bank  
10 or trust company incorporated in the commonwealth,  
11 shall conduct a collection agency, collection bureau or  
12 collection office, or engage in the commonwealth  
13 solely in the business of collecting or receiving pay-  
14 ment for others of any account, bill or other indebted-  
15 ness, or engage in the commonwealth solely in solicit-

16 ing the right to collect or receive payment for another  
17 of any account, bill or other indebtedness, or adver-  
18 tise for or solicit in print the right to collect or receive  
19 payment for another of any account, bill or other  
20 indebtedness, unless such person, partnership, asso-  
21 ciation or corporation or the person, partnership, as-  
22 sociation or corporation for whom he or it may be  
23 acting as agent has a place of business in the com-  
24 monwealth and has on file with the state treasurer a  
25 good and sufficient bond.

1 SECTION 2. Section twenty-five of said chapter  
2 ninety-three, as so appearing, is hereby amended by  
3 striking out, in the third line, the word "five" and  
4 inserting in place thereof the word:— fifty, — so as  
5 to read as follows:— *Section 25.* Said bond shall  
6 run to the state treasurer and shall cover an indeter-  
7 minate period but it may be cancelled at any time as  
8 provided in section twenty-six. It shall be in the sum  
9 of fifty thousand dollars and shall provide that the  
10 person, partnership, association or corporation, giv-  
11 ing the same shall, upon written demand, pay and  
12 turn over to or for the person, partnership, associa-  
13 tion or corporation, from whom any account, bill or  
14 other indebtedness is taken for collection the proceeds  
15 of such collection in accordance with the terms of the  
16 agreement upon which it was received for collection.  
17 Said bond shall be in such form and shall contain  
18 such further provisions and conditions as the state  
19 treasurer with the advice and consent of the governor  
20 and council deems necessary or proper.