

HOUSE No. 2127

By Mr. Patrone of Boston, petition of Charles L. Patrone for prohibiting the making of finance contracts wherein retail sellers receive certain benefits collected as finance charges or insurance costs incidental to said contracts. Insurance.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Fifty-Four.

AN ACT PROHIBITING CERTAIN PRACTICES BY INSTALLMENT SELLERS.

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 193E of chapter 175 of the General Laws, as
2 inserted by chapter 520 of the acts of 1950, is hereby
3 amended by inserting after the first paragraph thereof
4 the following paragraph: —

5 No person shall enter into any agreement with any
6 retail seller regarding the purchase, assignment or
7 transfer of any retail installment contract, whereby
8 the retail seller shall receive or retain, directly or
9 indirectly, any benefit from or a part of any amount
10 collected or received, or to be collected or received,
11 from any retail buyer as a finance charge or as a cost of
12 insurance or any other expense or charge the cost of
13 which is borne by the retail buyer. Any finance
14 contract executed in violation of this paragraph shall
15 be null and void.

