

HOUSE No. 1584

By Mr. Patrone of Boston, petition of Charles L. Patrone that banks, finance companies and automobile dealers be prohibited from insuring their interest in automobiles given as security or sold on conditional bills of sale. Insurance.

The Commonwealth of Massachusetts

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

AN ACT TO PROHIBIT BANKS, FINANCE COMPANIES AND
AUTOMOBILE DEALERS FROM INSURING ITS INTEREST
IN ANY AUTOMOBILE GIVEN AS SECURITY OR SOLD ON A
CONDITIONAL BILL OF SALE.

*Be it enacted by the Senate and House of Representatives
in General Court assembled, and by the authority of the
same, as follows:*

1 Chapter 175 of the General Laws is hereby amended
2 by inserting after section 166 the following new sec-
3 tion:—
4 *Section 166A.* No bank, finance company, credit
5 union or any other company or individual authorized
6 by law to make loans, and no automobile dealer, shall
7 insure its interest in any automobile taken as security
8 for a loan. No person referred to above who deals in
9 loans, and no automobile dealer, shall require that an
10 applicant for a loan or the purchaser of an automobile
11 place such insurance with any company it recommends.

12 In the case of a conditional bill of sale given by an
13 automobile dealer on the purchase of an automobile,
14 the automobile dealer shall not require any insurance
15 on the automobile to be placed with a company which
16 it recommends.