

(a) Usurious interest charges are concealed in the notes and deeds of trust given therefor.

(b) The amount of payments are misrepresented, as for example by stating monthly payments to be some small amount, and concealing the existence of a "balloon note" due at the end of some period for the large balance remaining.

(c) Reduction of the principal amount of the indebtedness becomes a complicated and doubtful matter, and the purchaser can never find out just how much interest he has paid and how much principal balance remains.

(d) Final release of the deed of trust for records becomes a major legal endeavor.

(e) The assignees of the instruments, and sometimes the original parties thereto, are out-of-state straws and subsidiaries whose identity, location, and responsibility are such as to frustrate the purchaser's attempts to obtain honest information and retire his just indebtedness in an orderly fashion.

(f) When the purchaser is finally forced to seek legal redress, he finds that the corporations with whom he has been dealing have no resident Maryland agents and are effectively immune from suit; and

WHEREAS, Comparable abuses are not tolerated in the retail installment sales of personal property; and

WHEREAS, Other Eastern states have laws and regulations controlling such practices in the home finance field, with the result that unscrupulous operators concentrate their activities in Maryland; and

WHEREAS, A demand for action has arisen from purchasers, from members of the Bar, from Maryland home builders, and Maryland lending institutions; and

WHEREAS, Several proposals have been before the 1965 and previous sessions of the General Assembly, aimed at one or more facets of the problem; now, therefore, be it

*Resolved by the General Assembly of Maryland, That the Legislative Council is requested to appoint a Special Committee of interested Senators and Delegates and representatives of the public with knowledge of the subject, to investigate said practices, undertake a comparative study of legislation, and report its conclusions and recommendations to the General Assembly of 1966.*

Not signed by the Governor.