

## CONDITIONAL SALES

## HOUSE BILL 414

AN ACT to add a new section to Article 21 of the Annotated Code of Maryland (1943 Supplement), title "Conveyancing", sub-title "Conditional Contracts of Sale", said new section to be known as Section 71B and to follow immediately after Section 71A of said Article, relating to the destruction of records of conditional contracts of sale.

This bill authorizes the destruction of original instruments in the nature of chattel mortgages five years after the date of recordation and also the book of recordation after twelve years. Sections 71 and 71A of Article 21 as proposed by the bill, do not deal fundamentally with the relation between parties to the instrument but rather with the rights of third persons. It is entirely conceivable that the destruction of the records or the destruction of the original instrument as proposed in the bill would adversely affect in some cases the rights of a party to the instrument. The bill presents dangers which are sufficient to overcome any possible advantage or expedition in the handling of the Clerk's office.

For this reason the bill will be vetoed.

## HOUSE BILL 756

AN ACT to add a new section to Article 21 of the Annotated Code of Maryland (1943 Supplement), title "Conveyancing", sub-title "Conditional Contracts of Sale", said new section to be known as Section 71B and to follow immediately after Section 71A of said Article relating to the charges made for services rendered with respect to any conditional contract of sale.

The purpose of this bill is not readily apparent. A new Section 71B is added to Article 21 of the Code following two sections relating to the recordation of conditional contracts of sale. The new Section 71B does not relate to recordation but amends the Retail Instalment Sales Law, which is codified as Sections 116 to 140 of Article 83. The bill purports to prohibit charges for services rendered in connection with conditional contracts of sale for a consideration or amount in excess of the actual or reasonable value of such services. Charges that may be made in connection with conditional contracts of sale are regulated by the Retail Instalment Sales Act. This bill would, therefore, seem unnecessary. It may be that the purpose of the bill is to liberalize the provisions of the Act with respect to charges that may be made in connection with conditional contracts