U.S. SENATE,
COMMITTEE ON THE DISTRICT OF COLUMBIA,
December 1, 1967.

MEMORANDUM FOR MEMBERS OF THE BUSINESS AND COMMERCE SUBCOMMITTEE

In re S. 2592, to amend section 521 of the act approved March 3, 1901, so as to prohibit the enforcement of a security interest in real property in the District of Columbia except pursuant to court order.
Dates of hearings: Tuesday, December 5, 1967, 9 a.m.; Tuesday, December 12, 1967, 10 a.m.; Wednesday, December 13, 1967, 10 a.m.

The purpose of S. 2592 is to provide that security interests in real property, such as deeds of trust, can be foreclosed only through court action. This bill will protect consumers from the practice of mortgaging homes as security for credit purchases, with automatic forfeiture in case of failure to meet credit payments.

This bill would prohibit automatic foreclosures, and would require any foreclosure to take place through regular court proceedings where the homeowner has an opportunity to protect himself.

HOWARD A. ABRAHAMS,
Assistant Counsel.

THE METROPOLITAN WASHINGTON BOARD OF TRADE,
Washington, D.C., January 30, 1967.

COMMITTEE ON THE DISTRICT OF COLUMBIA,
U.S. Senate, Washington, D.C.

DEAR SENATOR: Please be advised that we favor enactment of S. 316, a bill to provide for the regulation in the District of Columbia of retail installment sales of consumer goods (other than motor vehicles) and services and for other purposes.

We worked with the Corporation Counsel in the drafting of this bill for more than a year, and we feel that it is a sound proposal.

Sincerely,

WILLIAM H. PRESS.

THE BAR ASSOCIATION OF THE DISTRICT OF COLUMBIA,
Washington, D.C., November 14, 1967.

Re S. 316, proposed District of Columbia Retail Installment Sales Act.

Hon. ALAN BIBLE,
Chairman, Committee on the District of Columbia,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: I am pleased to transmit to you the attached report of the Bar Association of the District of Columbia recommending certain changes in the above-mentioned Bill, and supporting its enactment as so amended.

Study of S. 316 was completed by the Association before receipt of the Committee's letters of November 1, transmitting copies of S. 2589, S. 2590, S. 2591, and S. 2592, which were introduced by Senator Tydings on October 26. We shall expedite our study of these more recent Bills relating to credit, and shall report to you in the event that the Bar Association adopts a position with respect to them.

Sincerely yours,

JOHN E. POWELL, *President.*

REPORT OF THE BAR ASSOCIATION OF THE DISTRICT OF COLUMBIA ON S. 316, 90TH CONGRESS, FIRST SESSION, THE PROPOSED DISTRICT OF COLUMBIA RETAIL INSTALLMENT SALES ACT

(Prepared by the Uniform Commercial Code Subcommittee of the Commercial and Business Law Committee)

I. DESCRIPTION OF THE BILL

(*a*) *Background.*—In its opinion in *Williams* v. *Walker-Thomas Furniture Co.*, 198 A. 2d 914 (1964), the District of Columbia Court of Appeals strongly urged enactment of legislation similar to the Maryland Retail Installment Sales Act