CAMBRIDGE CONSUMERS' COUNCIL

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City Of Cambridge

Paul J. Schlaver
Executive Director

serving the
residents of:

Cambridge
Boston

94 MAY 11 PM 4:58

TO: Robert W. Healy, City Manager
FROM: Paul Schlaver PS
DATE: May 11, 1994

RE: COUNCIL ORDER #45, dated 5/2/94 RE: House Bill 286

As I offer a report to you on this matter let me first state that the BILL IS DEAD in the state legislature for this year. I just verified that it was reported out of the Joint Committee on Commerce and Labor with a very unfavorable recommendation. There is no support for it to go forward in the legislative process.

After several years as Secretary of the Massachusetts Consumers' Coalition I was chosen as Chairman last fall. In addition to the Directors of local consumer office, various state and federal professionals in the consumer protection field are members of this group. The MCC promotes professional networking activities and various educational projects. We also try to either develop proper, in our opinion, consumer legislation or regulations and/or speak out against bad legislation.

Consequently, I played a leadership role, as Chairman of the MCC, speaking out against H. 286. The press coverage in the day or two before the State House hearing on the bill and the day of the hearing was considerable. There has been hundreds of calls to legislators since that March 21st hearing.

Helene' Corry offered to promote a petition at the North Cambridge Senior Center and so I drafted that and we quickly had the 193 signatures to send in with this City Council order.

Recently, the Federal Reserve Bank conducted a informational meeting that went on for three hours with representatives from the banking industry, Attorney General's office, legislative assistants and consumer advocates. Even though the economic arguments may be strong for the banking industry to streamline their operations to fit the available technology (and also limit their legal liabilities as much as possible as also set forth in H. 286), it was even more clear after this meeting that this plan just won't fly with the general public.

This 70 page proposed legislation grew out of a nation-wide effort of many years to re-write the Uniform Commercial Code. For it to work effectively it needs to pass in all 50 states. It has already passed in 32 states! Usually, though, by voice vote without any public input. Some advocates and consumer protection lawyers have finally been building some support for the opposition to it. I had the advantage of their failed efforts to stop it in other states and also the advantage of Lois Pines as the key state senator to oversee the hearing process.

Attached is my written testimony given on March 21st, copies of some of the press coverage, and the article just printed in the Cambridge Council on Aging NEWSLINE. When the City Clerk sent in the Council Order and the petition with 193 signatures to the legislative delegation I suggested that she add the NEWSLINE to give a bit of an overview of the issue. I am not adding copies of the 12 pages of signatures with this report for you and the Council, only a blank copy of the petition.

Please advise if further information is needed.

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CITY OF CAMBRIDGE
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EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

RICHARD C. ROSSI
Deputy City Manager

May 16, 1994

To The Honorable, The City Council:

Please find attached a response to Awaiting Report Item No. 39, regarding a report on House Bill 286, received from Paul Schlaver, Executive Director of the Cambridge Consumers' Council.

Very truly yours,

Robert W. Healy
City Manager

RWH/mev
attachment

Consent Agenda # 7 S-330

Awaiting Report Item Number 39, regarding
a report on House Bill 286.

for original order
see 1994 City Manager's
requests # 131

In City Council,

May 16, 1994

Placed on file