

Opinion No. 42-4168

October 20, 1942

BY: EDWARD P. CHASE, Attorney General

TO: Mr. C. R. Sebastian State Comptroller Santa Fe, New Mexico

{*261} We have your letter of October 16, 1942, wherein you have submitted the following question:

"Does the government regulation on charge accounts apply to public utilities; that is, if the water, gas or light {*262} bills are not paid in the time provided by government regulation, is it mandatory that the municipality discontinue service by virtue of Federal regulation?"

In order to determine this question, it has been necessary to refer to the various Federal regulations concerning this matter. The various rules and regulations concerning consumer's credit regulations may be found in the United States Code, Congressional Service, 1941, No. 8, page 790, et seq; 1942, No. 3, page 271; 1942, No. 5, page 454; 1942, No. 7, page 791.

The only specific regulation which attempts to regulate other than installment sales of certain specified articles, installment loans and single payment loans, is found in No. 5, at page 457.

The United States Law Week in analyzing this amendment which deals with charge accounts stated, at Volume 10, Section 2, page 2748:

"(3) Charge-account sales **of listed articles and single-payment consumer loans are brought within the Regulation.** It is provided with respect to charge accounts that unless payment is made by the tenth day of the second calendar month following the purchase, no further credit may be extended to purchase any listed article until the items in default have been paid for in full or have been placed on an installment basis for payment within six months."

Under this analysis it appears that the only charge accounts that come within the regulations are those under which specified articles, such as enumerated on pages 465-466 of No. 5, have been purchased.

There is nothing within the regulations pertaining to credit regulations of utility companies. Therefore, in view of the foregoing it is my opinion that public utilities are not required to discontinue service by virtue of Federal credit regulations.

By HARRY L. BIGBEE,

Asst. Atty. General