

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

FIRST SPECIAL SESSION

ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 2306

H. P. 1819

House of Representatives, January 7, 1974

Referred to the Committee on Business Legislation. Sent up for concurrence and ordered printed.

E. LOUISE LINCOLN, Clerk

Presented by Mr. Shute of Stockton Springs.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FOUR

AN ACT to Make it Unlawful to Discriminate when Extending Credit.

Be it enacted by the People of the State of Maine, as follows:

R. S., T. 5, c. 337, sub-c. V-A, additional. Chapter 337 of Title 5 of the Revised Statutes, as enacted by section 1 of chapter 501 and as reallocated by section 19 of chapter 622, both of the public laws of 1971, is amended by adding a new subchapter V-A to read as follows:

SUBCHAPTER V-A

A FAIR CREDIT EXTENSION

§ 4595. Right to freedom from discrimination on the basis of age, race, color, sex, marital status, ancestry, religious creed or national origin in any credit transaction

The opportunity for every individual to be extended credit without discrimination because of age, race, color, sex, marital status, ancestry, religious creed or national origin is recognized as and declared to be a civil right.

§ 4596. Unlawful credit extension discrimination

It shall be unlawful credit discrimination for any creditor to refuse the extension of credit to any person on the basis of age, race, color, sex, marital status, ancestry, religious creed or national origin in any credit transaction.

§ 4597. Definitions

As used in this subchapter, unless the context otherwise requires, the following words shall have the following meanings:

1. **Application for credit.** "Application for credit" means any communication, oral or written, by a person to a creditor requesting an extension of credit to that person or to any other person, and includes any procedure involving the renewal or alteration of credit privileges or the changing of the name of the person to whom credit is extended;

2. **Credit.** "Credit" means the right granted by a creditor to a person to defer payment of debt or to incur debt and defer its payment, or purchase property or services and defer payment therefor;

3. **Credit sale.** "Credit sale" means any transaction with respect to which credit is granted or arranged by the seller. The term includes any contract in the form of a bailment or lease if the bailee or lessee contracts to pay as compensation for use a sum substantially equivalent to or in excess of the aggregate value of the property and services involved and it is agreed that the bailee or lessee will become the owner of the property upon full compliance with his obligations under the contract;

4. **Credit transaction.** "Credit transaction" means any invitation to apply for credit, application for credit, extension of credit or credit sale.

5. **Creditor.** "Creditor" means any person who regularly extends or arranges for the extension of credit for which the payment of finance charge or interest is required whether in connection with loans, sale of property or services or otherwise;

6. **Extension of credit.** "Extension of credit" means any acts incident to the evaluation of an application for credit and the granting of credit;

7. **Invitation to apply for credit.** "Invitation to apply for credit" means any communication, oral or written, by a creditor which encourages or prompts an application for credit.

§ 4598. Enforcement

The Bank Superintendent shall cooperate with the Commission on Human Rights in their enforcement of this subchapter.

STATEMENT OF FACT

The purpose of this bill is to prevent discrimination in any credit transaction based on age, race, color, sex, marital status, ancestry, religious creed or national origin.