

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 437

H. P. 394

House of Representatives, January 26, 1981

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

EDWIN H. PERT, Clerk

Presented by Representative Perkins of Brookville.

Cosponsor: Senator Conley of Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT to Amend the Maine Consumer Credit Code.

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

9-A MRSA § 2-501, sub-§ 1, ¶ C, as enacted by PL 1973, c. 762, § 1, is amended to read:

C. Annual charges, ~~payable in advance~~ for the privilege of using a credit card, ~~other than a lender credit card~~ which entitles the user to purchase goods or services from at least 100 persons not related to the issuer of the credit card, under an arrangement pursuant to which the debts resulting from the purchases are payable to the issuer.

STATEMENT OF FACT

The purpose of this bill is to permit banks to charge for the use of credit cards. Maine banks are experiencing losses as a result of a dramatic increase in the cost of funds and credit and fraud losses.

This bill would authorize a credit card annual fee chargeable to the cardholder. The fee is not part of any finance charge permitted by the Maine Consumer Credit Code, but is a distinct charge payable for the privilege of being a credit card holder.