

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

OF THE

SIXTY-NINTH LEGISLATURE

OF THE

STATE OF MAINE

1899.

Published by the Secretary of State, agreeably to Resolves of June 28, 1820,
February 18, 1840, and March 16, 1842.

AUGUSTA
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1899.

PUBLIC LAWS

OF THE

STATE OF MAINE.

1899.

Chapter 67.

An Act to limit the rate of interest on Loans on Personal Property.

Be it enacted by the Senate and House of Representatives in Legislature assembled, as follows:

Section 1. All loans hereafter contracted for less than two hundred dollars, that are secured by mortgage or pledge of personal property, shall be dischargeable by the debtor upon payment or tender of the principal sum actually borrowed, and interest at the rate specified therein, which shall not exceed three per cent per month for a period not exceeding three months, and thereafter not exceeding the rate of fifteen per cent per annum, no renewal thereof to bear a greater rate than fifteen per cent per annum; a sum not exceeding three dollars for the actual expenses of making the loan and in securing the same may be charged and collected. And all loans made in violation of this act shall bear interest at the legal rate of interest only; provided that nothing in this act shall be construed to affect or to repeal section three of chapter thirty-five of the revised statutes, or chapter forty-five of the revised statutes.

Rate of interest on loans made on personal property, limited.

—loans made in violation, shall bear interest only at legal rate.

Section 2. When a loan for less than two hundred dollars is secured by mortgage or pledge of personal property the creditor shall discharge such mortgage and restore such pledge upon payment or tender to him of the amount due him under this act, and such payment or tender may be made by the debtor or by any person having an interest in the property pledged or mortgaged.

Mortgages shall be discharged and pledge restored, upon payment of amount due.

Section 3. No mortgage of household furniture made to secure a loan under the provisions of this act shall be valid unless it states with substantial accuracy the amount of the loan, the time for which the loan is made, the rate of interest to be paid and the actual expense of making and securing the loan.

Mortgage on household furniture not valid, unless it states amount of loan, etc.

Section 4. Whoever refuses or neglects after a request to discharge a mortgage or to restore the property held as a pledge as provided in section two of this act, shall be liable in an action of tort by the debtor or by any person having an interest in the property pledged or mortgaged for all damages resulting to him for any violation of said section two.

Penalty for refusing to discharge mortgage or restore pledge.

Section 5. This act shall not be construed to apply to licensed pawnbrokers nor to repeal or affect section thirty-one of chapter forty-seven in relation to banking or chapter forty-five of the revised statutes.

Act shall not apply to pawnbrokers.

Section 6. This act shall take effect when approved.