

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FOURTH LEGISLATURE

Legislative Document

No. 208

H. P. 169 House of Representatives, January 16, 1969
Referred to Committee on Legal Affairs. Sent up for concurrence and
ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Jalbert of Lewiston.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-NINE

AN ACT Limiting the Liability of the Owner of a Credit Card or Other Like Credit Device.

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

R. S., T. 17, § 1620-A, additional. Title 17 of the Revised Statutes is amended by adding a new section 1620-A, to read as follows :

§ 1620-A. Credit card

In this section the following words and phrases shall, unless the context otherwise requires, have the following meanings :

1. Accepted credit card. "Accepted credit card" means any credit card which the cardholder has requested in writing or has signed or has used, or authorized another to use, for the purpose of obtaining money, property, labor or services on credit. A renewal credit card shall be deemed to be accepted if it is issued within one year after a prior card has been paid for or used. A credit card issued in connection with a merger, acquisition or the like of card issuers or credit card services in substitution for an accepted credit card shall be deemed to be an accepted credit card.

2. Adequate notice. "Adequate notice" means a writing which is conspicuous and which is printed on the credit card or on each periodic statement.

3. Cardholder. "Cardholder" means any person to whom a credit card is issued or any person who has agreed with the card issuer to pay obligations arising from the issuance of a credit card to another person.

4. Card issuer. "Card issuer" means any person who issues a credit card.

5. **Conspicuous.** "Conspicuous" means any term or clause which is so written that a reasonable person against whom it is to operate ought to have noticed it.

6. **Credit card.** "Credit card" means any card, plate, coupon book or other credit device existing for the purpose of obtaining money, property, labor or services on credit.

7. **Unauthorized used.** "Unauthorized use" means a use of a credit card by a person other than the cardholder who does not have actual, implied or apparent authority for such use and from which the cardholder receives no benefit.

A provision imposing liability on a cardholder for the unauthorized use of a credit card shall be effective only if the card is an accepted credit card, the liability imposed is not in excess of \$100, the card issuer gives adequate notice to the cardholder of the potential liability, the unauthorized use occurs before the cardholder has notified the card issuer of the loss or theft of the card or of any unauthorized use, and the card issuer has provided a method whereby the user of the credit card can be identified as the person authorized to use it, including without limitation a place on the card for the photo or signature of the holder.

Except as otherwise provided in this section, a cardholder incurs no liability from the unauthorized use of either an accepted or an unaccepted credit card.