

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
106TH LEGISLATURE
FIRST SPECIAL SESSION

HOUSE AMENDMENT "D" to H.P. 2043, L. D. 2582, Bill, "AN ACT Creating the Maine Consumer Credit Code."

Amend said Bill in section 1 by striking out in that part designated "§2.201." all of subsection 8 and inserting in place thereof the following:

'8. The finance charge on a transaction subject to Title 9, Part 8, Motor Vehicle Sales Finance Act, may not exceed the following:

A. On any new motor vehicle designated by the manufacturer by a year model not earlier than the year in which the sale is made, 13% per year on the unpaid balances of the amount financed;

B. On any new motor vehicle not included in paragraph A and on any used motor vehicle designated by the manufacturer by a year model of the same or not more than 3 years prior to the year in which the sale is made, 20% per year on the unpaid balances of the amount financed; or

C. On any used motor vehicle not included in paragraph B, 24% per year on the unpaid balances of the amount financed.'

Further amend said Bill ^{in section 1} by striking out the first sentence of subsection 3 of that part designated "§2.202." and inserting in place thereof the following: 'If the billing cycle is monthly, the charge may not exceed the total of 1 1/2% of the amount pursuant to subsection 2 if that amount is \$500 or less, 1 1/4% of the amount pursuant to subsection 2 which is more than \$500 but does not exceed \$1,000, and 1% of the amount pursuant to subsection 2 which is more than \$1,000.'

(Filing No. H- 781)

Further amend said Bill in section 1 by striking out all of subsection 2 of that part designated "§2.401." and inserting in place thereof the following:

2. Except as provided with respect to finance charges for loans pursuant to a lender credit card, section 2.402, with respect to a supervised loan, a supervised financial organization may contract for and receive a finance charge, calculated according to the actuarial method, not exceeding the total of:

A. (Eighteen percent) per year on that part of the unpaid balances of the amount financed which is \$1,000 or less;

B. (Fifteen percent) per year on that part of the unpaid balances of the amount financed which is more than \$1,000 but does not exceed \$3,000; and

C. (Twelve percent) per year on that part of the unpaid balances of the amount financed which is more than \$3,000.

3. Except as provided with respect to finance charges for loans pursuant to a lender credit card, section 2.402, with respect to a supervised loan, a supervised lender other than a supervised financial organization may contract for and receive a finance charge, calculated according to the actuarial method, not exceeding the total of:

A. (Thirty percent) per year on that part of the unpaid balances of the amount financed which is \$500 or less;

B. (Twenty-one percent) per year on that part of the unpaid balances of the amount financed which is more than \$500 but does not exceed \$1,000; and

(Filing No. H-781)

C. (Fifteen percent) per year on that part of the unpaid balances of the amount financed which is more than \$1,000 but does not exceed \$3,000.

Further amend said Bill in section 1 by renumbering subsections 3 to 5 of that part designated "§2.401." to be subsections 4 to 6.

Further amend said Bill in section 1 by striking out in that part designated "§2.401." all of subsection 6 and inserting in place thereof the following:

'7. The amounts of \$500, \$1,000 and \$3,000 in subsections 2 and 3 are subject to change pursuant to the provisions on adjustment of dollar amounts, section 1.106.'

Further amend said Bill in section 1 by striking out the first sentence of subsection 3 of that part designated "§2.402." and inserting in place thereof the following:

'3. If the billing cycle is monthly, the charge may not exceed the total of 1 1/2% of the amount pursuant to subsection 2 if that amount is \$500 or less, 1 1/4% of the amount pursuant to subsection 2 which is more than \$500 but does not exceed \$1,000, and 1% of the amount pursuant to subsection 1 which is more than \$1,000.'

Statement of Fact

The purpose of this amendment is to reduce the level of finance charges permitted.

Filed by Mr. O'Brien of Portland.

Reproduced and distributed under the direction of the Clerk of the House.

3/21/74

(Filing No. H-781)