

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 178

S. P. 61

In Senate, January 14, 1975

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

HARRY N. STARBRANCH, Secretary

Presented by Senator Clifford of Androscoggin.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT to Redefine the Term "Payable in Instalments" under the Maine Consumer Credit Code.

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

9-A MRSA, § 1.301, sub-§ 28, first sentence, as enacted by PL 1973, c. 762, § 1, is amended to read:

"Payable in instalments" means that payment is required or permitted by agreement to be made in (a) 2 or more periodic payments, excluding a down payment, with respect to a debt arising from a consumer credit sale pursuant to which a finance charge is made, ~~(b) 4 or more periodic payments, excluding a down payment, with respect to a debt arising from a consumer credit sale pursuant to which no finance charge is made~~ or (c) (b) 2 or more periodic payments with respect to a debt arising from a consumer loan.

STATEMENT OF FACT

The purpose of this Act is to redefine the applicability of the Maine Consumer Credit Code to certain consumer credit transactions. It is intended that the Code should not apply to certain transactions where no finance, interest or other credit service charge is imposed for the extension of credit. If a creditor is willing to accept the payment of a debt in instalments, free of any finance, interest or credit service charge, direct or indirect, the creditor should not be subject to the requirements and sanctions of the Maine Consumer Credit Code.