

# MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

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Legislative Document

No. 714

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H. P. 579 House of Representatives, February 19, 1975  
Referred to Committee on Business Legislation. Sent up for concurrence  
and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mrs. Boudreau of Portland.

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-FIVE

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**AN ACT to Ensure Equitable Billing Practices by Creditors Engaged in  
Open-end Credit Pursuant to Lender Credit Cards under the Consumer  
Credit Code.**

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

9-A. MRSA § 2-402, sub-§ 2, ¶ B, as enacted by PL 1973, c. 762, § 1, is repealed and the following enacted in place thereof:

B. The unpaid balance at the beginning of the first day of the billing cycle after all payments on account, returns and other credits made or given during the first 25 days of the billing cycle, if the billing cycle is monthly, shall have been first deducted; provided that returns and other credits may be deducted only to the extent that the purchase to which the credit or return relates has been reflected in the previous balance. If the billing cycle is not monthly, such deduction shall be made for payments on account, returns and other credits made or given during that part of the billing cycle that bears the same relation to the billing cycle that 25 does to 30.

STATEMENT OF FACT

This amendment will substitute the "adjusted previous balance" method for the "previous balance" method which is presently permitted by the Consumer Credit Code in billing open-end credit pursuant to lender credit cards. The "previous balance" method is inherently inequitable to consumers when utilized by creditors to bill for purchases secured by consumers pursuant to a lender credit card. The "adjusted previous balance" method more accurately reflects payments made by the consumer during the billing period.