

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 753

H. P. 610

House of Representatives, February 21, 1975

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

EDWIN H. PERT, Clerk

Presented by Mrs. Clark of Freeport.
Cosponsor Mr. Tierney of Durham.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT Concerning Refinancing of Credit Sales on Consolidation under the
Consumer Credit Code.

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

9-A MRSA § 2-505, sub-§ 3, as enacted by PL 1973, c. 762, § 1, is amended to read:

3. If a consumer owes an unpaid balance to a creditor with respect to a consumer credit transaction arising out of a consumer credit sale, and becomes obligated on another consumer credit transaction arising out of another consumer credit sale by the same seller, the parties may agree to a consolidation resulting in a single schedule of payments either pursuant to subsection 1 or by adding together the unpaid balances with respect to the two sales, **except where adding the unpaid balances together results in a decrease of the maturity of the first transaction.**

STATEMENT OF FACT

This bill will prevent unjust enrichment by the creditor where the first credit transaction is precomputed and upon consolidation its maturity is decreased. In such a situation, the creditor would receive payments for finance charges never in fact earned. This amendment would prohibit this type of overcharge.