

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 1496

H. P. 1201

House of Representatives, March 25, 1975

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

EDWIN H. PERT, Clerk

Presented by Mrs. Clark of Freeport.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT Relating to Property Insurance under the Maine Consumer Credit Code.

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

Sec. 1. 9-A MRSA § 4-301, sub-§ 1, 1st sentence, as enacted by PL 1973, c. 762, § 1, is amended to read:

A creditor may not contract for or receive a separate charge for insurance against loss of or damage to property unless the credit transaction involves ~~motor vehicle financing as defined in Title 9, chapters 321 to 327~~ the financing of the purchase of a motor vehicle as defined in Title 9, section 3402, subsection 5, or the financing of the purchase of a mobile home, as defined in Title 10, section 1402, subsection 2, and unless:

Sec. 2. 9-A MRSA § 4-301, sub-§ 1, ¶ B, as enacted by PL 1973, c. 762, § 1, is amended to read:

B. The amount, terms and conditions of the insurance are reasonable in relation to the character and value of the property insured or to be insured; and

STATEMENT OF FACT

The purpose of this bill is to clarify the definition of "motor vehicle" for the purpose of credit insurance coverage.