

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

(EMERGENCY)  
FIRST SPECIAL SESSION

---

---

ONE HUNDRED AND SEVENTH LEGISLATURE

---

---

**Legislative Document**

**No. 2162**

H. P. 1973

House of Representatives, February 2, 1976

Approved for Introduction by a Majority of the Committee on Reference of Bills Pursuant to Joint Order S. P. 635 as amended and referred to 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-SIX

---

**AN ACT to Include Mail Order Merchants and Creditors Under the  
Maine Consumer Credit Code.**

---

**Emergency preamble.** Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, an oversight in the enactment of the Maine Consumer Credit Code has allowed a number of mail order merchants and lending institutions to extend a substantial amount of openend credit to Maine consumers without being in compliance with the credit code; and

Whereas, such an oversight has allowed these mail order merchants and creditors to engage in practices and charge interest rates prohibited by the credit code; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

**9-A MRSA § 1-201, sub-§ 2**, as enacted by PL 1973, c. 762, § 1, is amended by adding at the end the following new sentence:

**This Act applies if the creditor induces consumers who are residents of this State to enter into openend credit transactions by solicitation either person-**

ally, by an agent or by mail and the goods, services or proceeds are delivered to the consumer in this State and payment to the creditor is made from this State.

**Emergency clause.** In view of the emergency cited in the preamble, this Act shall take effect when approved.

#### FISCAL NOTE

It is estimated that volume fees paid to the Bureau of Consumer Protection might approach \$3,000 to \$4,000 per year. It is difficult to estimate, however, as no records are available at present.

#### STATEMENT OF FACT

The Consumer Credit Code does not presently regulate openend transactions of Maine consumers with out-of-state mail order merchants and lenders. Thus, these mail order merchants and lenders need not comply with the credit code and may charge interest rates in excess of the code and may engage in practices prohibited by the credit code.

The amendment will require this type of creditor to comply fully with the credit code in order to conduct his business with Maine consumers.