

# MAINE STATE LEGISLATURE

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(New Title)  
New Draft of S. P. 647, L. D. 2048  
FIRST SPECIAL SESSION

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ONE HUNDRED AND SEVENTH LEGISLATURE

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**Legislative Document**

**No. 2234**

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S. P. 711

In Senate, February 19, 1976

Reported by Senator Tanous of Kennebec from the Committee on Business Legislation and printed under Joint Rules No. 18.

HARRY N. STARBRANCH, Secretary

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-SIX

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**AN ACT** Relating to the Right of Rescission Under the  
Truth-in-Lending Act.

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

9-A MRSA § 7-117, sub-§ 6 is enacted to read:

6. An obligor's right of rescission shall expire 3 years after the date of consummation of the transaction or upon the sale of the property, whichever occurs earlier, notwithstanding the fact that the disclosures required under this Article or any other material disclosures required under this section have not been delivered to the obligor.

STATEMENT OF FACT

The purpose of this bill is to establish a reasonable time limit on an obligor's right of rescission under the Truth-in-Lending Act. This will prevent possible problems in chains of title to property.

The purpose of this new draft is to remove the emergency preamble, which contained an inaccurate statement that the bill was required to maintain Maine's exemption from the Federal Truth-in-Lending Act. This new draft also corrects an error in the provision of the bill.