

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)

FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1420

S. P. 460

In Senate, March 23, 1979

Referred to the Committee on State Government. Sent down for concurrence and ordered printed.

Presented by Senator Najarian of Cumberland.

MAY M. ROSS, Secretary of the Senate

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT to Rename the Bureau of Consumer Protection to be the Bureau of
Consumer Credit Protection.

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

Sec. 1. 2 MRSA § 6, sub-§ 2, as last repealed and replaced by PL 1977, c. 697, § 1, is amended to read:

2. Range 90. The salaries of the following state officials and employees shall be within salary range 90:

Bank Superintendent;

Bureau of Consumer **Credit** Protection Superintendent;

State Tax Assessor.

Sec. 2. 5 MRSA § 711, sub-§ 2, ¶ A, sub-¶ (2), div. (b), as repealed and replaced by PL 1977, c. 674, § 6, is amended to read:

(b) Superintendent, Bureau of Consumer **Credit** Protection;

Sec. 3. 9 MRSA § 3722, sub-§ 2, as last amended by PL 1975, c. 381, § 4, is further amended to read:

2. Superintendent. "Superintendent" means the Superintendent, Bureau of Consumer **Credit** Protection ~~of the State of Maine~~ and includes those members of his bureau designated by him to administer and enforce this chapter.

Sec. 4. 9 MRSA § 3724, sub-§ 7, as last amended by PL 1975, c. 381, § 4, is further amended to read:

7. Signs. Any provision for a payment or credit to any owner for the privilege of placing any sign on the premises where the work is being done, unless such provision has been approved by the Superintendent, Bureau of Consumer **Credit** Protection.

Sec. 5. 9 MRSA § 3736, last paragraph, as last amended by PL 1975, c. 381, § 4, is further amended to read:

With respect to all other contracts, the holder, upon payment in full by the retail buyer of the time sales price and other amounts lawfully due under a home repair contract, shall furnish the owner with such instruments as the Superintendent, Bureau of Consumer **Credit** Protection may by regulation provide.

Sec. 6. 9 MRSA § 3738, first sentence, as last amended by PL 1975, c. 381, § 4, is further amended to read:

No person shall engage in or transact any business of a home repair financing agency, a home repair contractor or home repair salesman in this State without first obtaining a license from the Superintendent, Bureau of Consumer **Credit** Protection as provided for in this chapter.

Sec. 7. 9 MRSA § 3739, as last amended by PL 1975, c. 381, § 4, is further amended to read:

§ 3739. Application for license

Application for a license under this chapter shall be in writing, under oath, and shall be in the form prescribed by the Superintendent, Bureau of Consumer **Credit** Protection.

The application shall state the name and residence and business addresses of the applicant, and if the applicant is a copartnership or association, of every member thereof, and if a corporation, of each officer and director thereof. It shall state the address where the business is to be conducted, demonstrate the financial responsibility of the applicant and set forth any other information the Superintendent, Bureau of Consumer **Credit** Protection may require.

Sec. 8. 9 MRSA § 3740, first ¶, as last amended by PL 1975, c. 381, § 4, is further amended to read:

Within 60 days after the filing of the application and the payment of the fees herein set forth the Superintendent, Bureau of Consumer **Credit** Protection shall:

Sec. 9. 9 MRSA § 3741, first ¶, as last amended by PL 1975, c. 381, § 4, is further amended to read:

If the Superintendent, Bureau of Consumer **Credit** Protection refuses to issue a license, he shall:

Sec. 10. 9 MRSA § 3741, sub-§ 3, as last amended by PL 1975, c. 381, § 4, is further amended to read:

3. Hearing. If the applicant requests such a hearing, give notice of the grounds for refusal and hold a hearing thereon, and within 30 days after such hearing the Superintendent, Bureau of Consumer **Credit** Protection shall file a written decision containing his findings and conclusions and serve a copy thereof upon the applicant.

Sec. 11. 9 MRSA § 3742, last sentence, as last amended by PL 1975, c. 381, § 4, is further amended to read:

In case such location be changed, the Superintendent, Bureau of Consumer **Credit** Protection shall endorse the change of location on the license without charge.

Sec. 12. 9 MRSA § 3746, as last amended by PL 1975, c. 381, § 4, is further amended to read:

§ 3746. Investigation of licensees

The Superintendent, Bureau of Consumer **Credit** Protection shall have power to make such investigations as he shall deem necessary, and may examine the books, accounts, records and files of any person who is a party to or holder of a home repair contract. The Superintendent, Bureau of Consumer **Credit** Protection shall have power to administer oaths and affirmations to any person whose testimony is required.

Sec. 13. 9 MRSA § 3747, as last amended by PL 1975, c. 381, § 4, is further amended to read:

§ 3747. Superintendent's power of subpoena; contempt

The Superintendent, Bureau of Consumer **Credit** Protection shall have the power to issue subpoenas to complete the attendance of witnesses and the production of documents, papers, books, records and other evidence before him in any matter pertaining to this chapter.

In case of a failure of any person to comply with any subpoena issued by the Superintendent, Bureau of Consumer **Credit** Protection or to testify to any matter concerning which he may be lawfully interrogated, the Superior Court, on application of the Superintendent, Bureau of Consumer **Credit** Protection, may issue an order requiring the attendance of such person and the giving of testimony or production of evidence. Any person failing to obey the court's order may be punished as for contempt.

Sec. 14. 9 MRSA § 3748, as last amended by PL 1975, c. 381, § 4, is further amended to read:

§ 3748. Records of transactions

Every home repair contractor, home repair financing agency and holder of a home repair contract shall maintain a place of business in this State and keep at its place or places of business such books, accounts and records, including records relating to disclosure required by state or federal law relating to all transactions under this chapter, as will enable the Superintendent, Bureau of Consumer **Credit** Protection to enforce full compliance with the provisions thereof. All such books, accounts and records shall be preserved and kept available for such period of time as the Superintendent, Bureau of Consumer **Credit** Protection may by regulation require. The Superintendent, Bureau of Consumer **Credit** Protection may prescribe the minimum information to be shown in such books, accounts and records of the licensee so that such records will enable the Superintendent, Bureau of Consumer **Credit** Protection to determine compliance with this chapter.

Sec. 15. 9 MRSA § 3751, first sentence, as last amended by PL 1975, c. 381, § 4, is further amended to read:

The Superintendent, Bureau of Consumer **Credit** Protection is authorized and empowered to make such general rules and regulations and such specific rulings, demands and findings as may be necessary for the proper conduct of the business authorized and licensed under and for the enforcement of this chapter, in addition hereto and not inconsistent herewith.

Sec. 16. 9 MRSA § 3752, first sentence, as last amended by PL 1975, c. 381, § 4, is further amended to read:

There is established a Home Repair Advisory Board in the Bureau of Consumer **Credit** Protection.

Sec. 17. 9 MRSA § 3752, sub-§ 1, as amended by PL 1975, c. 381, § 4, is further amended to read:

1. Administrative procedures. Advise and consult with the Superintendent, Bureau of Consumer **Credit** Protection concerning practices in the home repair industry, the administration of this chapter, and the rules and regulations adopted to implement this chapter;

Sec. 18. 9 MRSA § 4052, sub-§ 9, as enacted by PL 1975, c. 429, § 1, is amended to read:

9. Superintendent. "Superintendent" means the Superintendent of the Bureau of Consumer **Credit** Protection.

Sec. 19. 9 MRSA § 4069, 2nd ¶, first sentence, as enacted by PL 1975, c. 429, § 1, is amended to read:

The aggregate of license and examination fees provided for by this Part is appropriated for the use of the Bureau of Consumer **Credit** Protection.

Sec. 20. 9-A MRSA § 6-103, first 3 sentences, as enacted by PL 1973, c. 762, § 1, are amended to read:

There is created and established the Bureau of Consumer **Credit** Protection within the Department of Business Regulation. The Superintendent of Consumer **Credit** Protection is the head of the Bureau of Consumer **Credit** Protection. As used in this Act, "administrator" means the Superintendent of the Bureau of Consumer **Credit** Protection.

Sec. 21. 10 MRSA § 8001, 2nd sentence, as last amended by PL 1977, c. 673, § 1, is further amended to read:

The department shall be composed of the following bureaus, boards and commissions:

Board of Examiners on Speech Pathology and Audiology;

Bureau of Banking;

Bureau of Consumer **Credit** Protection;

Bureau of Insurance;

Electricians' Examining Board;

Oil Burner Men's Licensing Board;

Maine Athletic Commission;

Real Estate Commission;

State Board of Examiners of Psychologists;

State Board of Social Worker Registration;

State Claims Board;

State Running Horse Racing Commission; and

Board of Registration of Substance Abuse Counselors.

Sec. 22. 32 MRSA § 571, sub-§ 2, as last amended by PL 1975, c. 381, § 6, is further amended to read:

2. Superintendent. "Superintendent" means the Superintendent, Bureau of Consumer **Credit** Protection.

Sec. 23. 32 MRSA § 574, last sentence, as last amended by PL 1975, c. 381, § 6, is further amended to read:

The bond may be cancelled by the surety thereon by giving 30 days' notice to the Superintendent, Bureau of Consumer **Credit** Protection but such cancellation shall not in any manner affect the liability of the surety as to anything occurring prior thereto.

Sec. 24. 32 MRSA § 578, first sentence, as repealed and replaced by PL 1977, c. 694, § 554-A, is amended to read:

The Bureau of Consumer **Credit** Protection may investigate the records and paractices of a licensee in accordance with Title 9-A, section 6-106.

Sec. 25. 32 MRSA § 584, first sentence, as enacted by PL 1975, c. 486, § 4, is amended to read:

The aggregate of license fees provided for by this chapter is appropriated for the use of the Bureau of Consumer **Credit** Protection.

Sec. 26. Amendatory clause. Wherever in the Revised Statutes the name "Bureau of Consumer Protection" appears it shall mean "Bureau of Consumer Credit Protection."

STATEMENT OF FACT

The purpose of this bill is to change the name of the Bureau of Consumer Protection to the Bureau of Consumer Credit Protection. The Bureau of Consumer Protection was created in 1974 to administer the Maine Consumer Credit Code which became applicable on January 1, 1975. Subsequent to that time, the bureau was vested with enforcement of the Home Repair Financing Act, the law relating to collection agencies, the Truth-in-Lending Act, now Article VII of Code, and the Insurance Premium Finance Company Act. All of these statutes are credit-related. Since its inception, the bureau has been beseiged with inquiries and complaints from the public requesting assistance on matters entirely unrelated to credit-related problems and thus are outside of this bureau's jurisdiction. The predominant reason for public confusion lies within the present name of the bureau. The bill will more accurately define the bureau's prime function and provide the public with a properly named bureau to contact for credit realted matters.