

MAINE STATE LEGISLATURE

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D. OF R.

L.D. 615

(Filing No. S-118)

STATE OF MAINE
SENATE
110TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 228, L.D. 615, Bill,
"AN ACT Relating to Interest Rates upon Refinancing of Loans
under the Maine Consumer Credit Code and Making other Clari-
fications of the Maine Consumer Credit Code."

Amend the Bill in section 3 by striking out everying after
the amending clause and inserting in its place the following:

'Subject to section 2-308, with respect to a consumer credit
transaction, the creditor may, by agreement with the consumer,
refinance the unpaid balance and may contract for and receive a
finance charge based on the amount financed resulting from the re-
financing at a rate not exceeding by ~~1/4%~~ 1% per year the rate
charged in the original agreement and stated to the consumer pur-
suant to the provisions on disclosure.'

Statement of Fact

The purpose of this amendment is to allow creditors to in-
crease the interest rate up to 1% upon refinancing, ~~the limit~~
is now 1/4%.

Reported by the Committee on Business Legislation.

Reproduced and distributed pursuant to Senate Rule 11-A.

April 15, 1981

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