

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 TENTH LEGISLATURE

Legislative Document

No. 620

H. P. 544

House of Representatives, February 4, 1981

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

EDWIN H. PERT, Clerk

Presented by Representative P. Paradis of Augusta.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT to Delete Vendor's Single Interest Insurance from Additional Charges in the Maine Consumer Credit Code.

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

9-A MRSA § 2-501, sub-§ 2, first sentence, as enacted by PL 1973 c. 762, § 1, is amended to read:

An additional charge may be made for insurance written in connection with the transaction, ~~including vendor's single interest insurance with respect to which the insurer has no right of subrogation against the consumer~~ but excluding other insurance protecting the creditor against the consumer's default or other credit loss;

STATEMENT OF FACT

This bill will prohibit a creditor from requiring the consumer to pay for vendor's single interest insurance as an additional charge. Those charges would then be allowed only if included in the finance charge; dollar amount of interest paid by the consumer.