

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 785

S. P. 276

In Senate, February 11, 1981

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

MAY M. ROSS, Secretary of the Senate.

Presented by Senator Minkowsky of Androscoggin.

STATE OF MAINE

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

AN ACT to Amend the Maine Consumer Credit Code with Respect to Consumer Credit Sales.

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

9-A. MRSA § 2-202, sub-§ 6 is enacted to read:

6. For purposes of this section, the term of a sale made pursuant to an open-end agreement commences with the date credit is granted or, if goods are delivered or services performed 10 days or more after that date, with the date of commencement of performance or with the date of completion of delivery. Delivery and performance include delivery or performance by a subcontractor or agent of the seller. A sale made pursuant to an open-end agreement does not commence upon the transfer of merchandise certificates but commences only upon the date the goods are delivered or services performed.

STATEMENT OF FACT

This bill corrects an imbalance in the regulation of consumer credit sales in the Maine Consumer Credit Code. Currently retail installment sales are required to adhere to certain consumer protections, Maine Revised Statutes, Title 9-A, section 2-201, subsection 4, that were not made applicable to sales pursuant to credit card, revolving charge accounts, in section 2-202. Specifically, this bill

prohibits merchants from imposing a finance charge for purchases on an open-end account until the goods are delivered or, in the case of merchandise certificates, until the certificates are redeemed.