

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 415

6
7 S.P. 148

In Senate, February 5, 1985

8 Reference to the Committee on Business and Commerce suggested and
9 ordered printed.

10 JOY J. O'BRIEN, Secretary of the Senate

Presented by Senator Bustin of Kennebec.

11
12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-FIVE
16

17 AN ACT to Amend the Maine Consumer Credit
18 Code.
19

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

22 Sec. 1. 9-A MRSA §1-106, as amended by PL 1975,
23 c. 623, §6, is repealed.

24 Sec. 2. 9-A MRSA §1-301, sub-§11, ¶C, as enacted
25 by PL 1973, c. 762, §1, is repealed.

26 Sec. 3. 9-A MRSA §1-301, sub-§13, as amended by
27 PL 1981, c. 243, §§8 and 26, is further amended to
28 read:

29 13. "Consumer lease":

30 A. A "consumer lease" is a lease of goods:

31 (i) which a lessor regularly engaged in the
32 business of leasing makes to a person, other

1 than an organization, who takes under the
2 lease primarily for a personal, family or
3 household purpose;

4 (ii) in which the amount payable under the
5 lease does not exceed \$25,000;

6 (iii) which is for a term exceeding 4
7 months; and

8 (iv) which is not made pursuant to a lender
9 credit card; .

10 B. The amount of \$25,000 in paragraph A (ii) is
11 subject to change pursuant to the provisions on
12 adjustment of dollar amounts, section 1-106-

13 Sec. 4. 9-A MRSA §1-301, sub-§14, ¶B, as amended
14 by PL 1981, c. 243, §§10 and 26, is further amended
15 to read:

16 B. A "consumer loan" does not include:

17 (i) a sale or lease in which the seller or
18 lessor allows the buyer or lessee to pur-
19 chase or lease pursuant to a credit card
20 other than a lender credit card; or

21 (ii) except for the purposes of Article
22 VIII, or unless the loan is made subject to
23 this Act by agreement, section 1-109, a loan
24 secured by an interest in land if the secu-
25 rity interest is bona fide and not for the
26 purpose of circumvention or evasion of this
27 Act and the finance charge does not exceed
28 12 1/4% per year calculated according to the
29 actuarial method on the unpaid balances of
30 the amount financed on the assumption that
31 the debt will be paid according to the
32 agreed terms and not be paid before the end
33 of the agreed term; .

34 Sec. 5. 9-A MRSA §1-301, sub-§14, ¶C, as enacted
35 by PL 1972, c. 762, §1, is repealed.

36 Sec. 6. 9-A MRSA §2-201, sub-§8, as enacted by
37 PL 1973, c. 762, §1, is repealed.

1 Sec. 7. 9-A MRSA §2-308, sub-§2, as enacted by
2 PL 1973, c. 762, §1, is repealed.

3 Sec. 8. 9-A MRSA §2-401, sub-§6, as enacted by
4 PL 1973, c. 762, §1, is repealed.

5 Sec. 9. 9-A MRSA §2-502, sub-§5, as enacted by
6 PL 1973, c. 762, §1, is repealed.

7 Sec. 10. 9-A MRSA §3-301, sub-§4, as enacted by
8 PL 1973, c. 762, §1, is repealed.

9 Sec. 11. 9-A MRSA §4-301, sub-§5, as enacted by
10 PL 1975, c. 368, §2, is repealed.

11 Sec. 12. 9-A MRSA §5-103, sub-§6, as enacted by
12 PL 1973, c. 762, §1, is repealed.

13 Sec. 13. Rules. Any rules adopted pursuant to
14 the Revised Statutes, Title 9-A, sections 1-301,
15 2-201, 2-308, 2-401, 2-502, 3-301, 4-301 and 5-102,
16 prior to the enactment of this Act shall, upon the
17 effective date of this Act, have no effect.

18

STATEMENT OF FACT

19 The purpose of this bill is to apply the Maine
20 Consumer Credit Code to transactions which truly in-
21 volve a consumer loan, sale, etc. Since 1975 the Su-
22 perintendent of the Bureau of Consumer Credit Protec-
23 tion has, in many instances, increased the amount
24 subject to the code by more than 100% which results
25 in many transactions which are not consumer oriented
26 to be subject to the Maine Consumer Credit Code.

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