

# MAINE STATE LEGISLATURE

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1 (New Draft of H.P. 293, L.D. 382)  
2 FIRST REGULAR SESSION  
3

4 ONE HUNDRED AND TWELFTH LEGISLATURE  
5

6 Legislative Document

No. 1141

8 H.P. 815

House of Representatives, March 28, 1985

9 Reported by Representative Murray from the Committee on Business and  
10 Commerce and printed under Joint Rule 2. Original bill sponsored by  
Representative Brannigan of Portland.

11 EDWIN H. PERT, Clerk

12  
13 STATE OF MAINE  
14

15 IN THE YEAR OF OUR LORD  
16 NINETEEN HUNDRED AND EIGHTY-FIVE  
17

18 AN ACT Relating to Deferred Payments and  
19 Terms and Schedules for Repayment of  
20 Loans Under the Maine Consumer Credit  
21 Code.  
22

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

25 Sec. 1. 9-A MRSA §2-308, sub-§1, as amended by  
26 PL 1975, c. 173, §1, is further amended to read:

27 1. Supervised Except as provided in section  
28 3-308, supervised loans, not made pursuant to open-  
29 end credit and in which the amount financed is \$1,000  
30 or less and the principal of which is payable in more  
31 than a single payment, shall be scheduled to be pay-  
32 able in substantially equal installments at equal  
33 periodic intervals except to the extent that the  
34 schedule of payments is adjusted to the seasonal or  
35 irregular income of the debtor; and

1 A. Over a period of not more than 37 months if  
2 the amount financed is more than \$300; or

3 B. Over a period of not more than 25 months if  
4 the amount financed is \$300 or less.

5 Sec. 2. 9-A MRSA §3-308, as amended by PL 1981,  
6 c. 243, §§19 and 26, is repealed and the following  
7 enacted in its place:

8 §3-308. Schedule of payments; balloon payments

9 With respect to a consumer credit transaction  
10 other than one pursuant to open-end credit:

11 1. Except as provided in this section, no credi-  
12 tor may contract for or receive payments pursuant to  
13 a schedule of payments under which any one payment is  
14 not substantially equal to all other payments, ex-  
15 cluding any down payment receivable by the creditor  
16 or under which the intervals between any consecutive  
17 payments differ substantially;

18 2. When a consumer's livelihood is dependent  
19 upon seasonal or intermittent income, the parties may  
20 agree in a separate writing that one or more payments  
21 or the intervals between one or more payments may be  
22 reduced or expanded in accordance with the needs of  
23 the consumer if the payments or intervals are ex-  
24 pressly related to the consumer's expected income;

25 3. A schedule of payments may provide for the  
26 deferral of the first periodic payment subsequent to  
27 any down payment for a period of not more than 90  
28 days;

29 4. A schedule of payments may require a final  
30 payment not substantially equal to all other periodic  
31 payments if the contract evidencing the consumer  
32 credit transaction gives the consumer the right to  
33 refinance the amount of the final payment on terms at  
34 least as favorable, including, but not limited to,  
35 the rate of finance charge and periodic payment  
36 amount, as those specified in the original consumer  
37 credit transaction, in order to fully amortize the  
38 obligation; and

