

# MAINE STATE LEGISLATURE

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# 115th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1990

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Legislative Document

No. 36

S.P. 26

In Senate, January 3, 1991

Reference to the Committee on Banking and Insurance suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator BUSTIN of Kennebec (BY REQUEST).

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STATE OF MAINE

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IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND NINETY

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**An Act to Freeze the Interest on Credit Cards.**

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

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9-A MRSA §2-402, sub-§4, as amended by PL 1987, c. 129, §44,  
4 is further amended to read:

6 4. With respect to loans made pursuant to a lender credit  
8 card, except for cash advances, no finance charge may be imposed  
10 on purchases or leases of goods or services purchased during the  
12 billing cycle, provided that they are paid for not later than 25  
days after the closing date of the billing cycle in which the  
purchase or lease occurred. No additional finance charge may  
accrue if, concurrently:

14 A. The consumer indicates in writing that the consumer  
intends to terminate the account; and

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18 B. The consumer returns the credit card and tenders payment  
sufficient to close the account.

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#### STATEMENT OF FACT

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24 Currently, if a customer has requested termination of a  
26 credit card account, finance charges continue to accrue and the  
cost of closing the account continues to grow. This bill will  
freeze the card and prohibit additional finance charge accrual  
once a formal termination request has been received.