

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 339

H.P. 248

House of Representatives, February 5, 1991

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

Presented by Representative HOGLUND of Portland.

Cosponsored by Representative DORE of Auburn, Representative WENTWORTH of Arundel and Representative RAND of Portland.

STATE OF MAINE

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

An Act to Establish the State of Maine Credit Card.



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

2
4
5 MRSA §282-A is enacted to read:

6
7 §282-A. State-sponsored credit card

8 1. Definitions. As used in this section, unless the
9 context otherwise indicates, the following terms have the
10 following meanings.

11 A. "Financial institution" has the same meanings as in
12 Title 9-B, section 131, subsection 17, and includes a credit
13 union as defined in Title 9-B, section 131, subsection 12.

14 B. "Financial institution credit card" means a credit card
15 that entitles the holder to make open-account purchases up
16 to an approved amount and is issued through the agency of a
17 financial institution.

18 C. "Sponsoring entity" means an entity that solicits the
19 use of a particular financial institution credit card
20 bearing the entity's name in exchange for a fee from the
21 credit card issuer.

22 2. State-sponsored credit card. The Department of Finance
23 may participate in a financial institution credit card program
24 for the benefit of the State. Under this program, the State is a
25 sponsoring entity for a financial institution credit card.
26 Before the department may participate in such a program, the
27 department must contact each financial institution to determine
28 if:

29 A. The financial institution or its holding company or
30 affiliate currently administers a credit card program;

31 B. The credit card program provides a fee or commission on
32 retail sales to the sponsoring entity for the issuance and
33 use of the credit card; and

34 C. The credit card program would accept the State as a
35 sponsoring entity.

36 3. Negotiation; rate. If the department chooses to
37 participate in the program, the department shall negotiate the
38 most favorable rate for the State's fee by a credit card issuer.
39 The State may not offer a more favorable rate to any credit card
40 issuer. The rate must be expressed as a percentage of the gross
41 sales from the use of the credit card.

42 4. Distribution of proceeds. The proceeds of the State's
43 fee must be deposited in the General Fund.

