



## 115th MAINE LEGISLATURE

## **SECOND REGULAR SESSION-1992**

Legislative Document

No. 2022

## H.P. 1410

House of Representatives, January 7, 1992

Submitted by the Department of Professional and Financial Regulation pursuant to Joint Rule 24.

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

EDWIN H. PERT, Clerk

Presented by Representative GARLAND of Bangor.

Cosponsored by Representative MITCHELL of Vassalboro, Senator KANY of Kennebec and Senator BRAWN of Knox.

STATE OF MAINE

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

An Act to Clarify the Laws Related to Credit Cards.

Printed on recycled paper

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

Sec. 1. 9-A MRSA §8-303, sub-§7, as enacted by PL 1991, c. 212, is amended to read:

7. With respect to an open-end credit plan involving a credit card offered in connection with a seller located in this
8 State using cards displaying the name of the seller:

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A. The terms of the credit card contract must comply with the laws that would apply if the seller were the creditor; or

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B. The name and location of the financial institution underwriting the debt must appear with equal prominence on the face of the credit card with the name of the seller.

This subsection applies to any new credit card programs implemented after November 1, 1991 er-to-the-next-renewal-for-any and takes effect on December 31, 1992 for credit card accounts existing-at-that-time and programs implemented on or before November 1, 1991. A violation of this section constitutes a violation of Title 5, chapter 10, Unfair Trade Practices Act.

24 Sec. 2. 9-B MRSA §241, sub-§7, as enacted by PL 1991, c. 135, is amended to read:

7. Restrictions on use of names of Maine financial 28 institutions on credit cards. A credit card may be titled and may have on its face the name of a financial institution 30 authorized to do business in this State only if the terms of the credit card contract comply with the laws applicable to that This section becomes effective for any 32 financial institution. new credit card programs implemented after November 1, 1991 er-at the - next -- renewal - for -- any - eredit - card -- accounts - existing -- at - that 34 time and takes effect on December 31, 1992 for all other credit card accounts and programs implemented on or before November 1, 36 <u>1991</u>.

## STATEMENT OF FACT

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This bill clarifies that credit card accounts and programs implemented on or before November 1, 1991 must comply with state laws concerning the use of names of financial institutions on credit cards by December 31, 1992.