## MAINE STATE LEGISLATURE

The following document is provided by the

LAW AND LEGISLATIVE DIGITAL LIBRARY

at the Maine State Law and Legislative Reference Library

http://legislature.maine.gov/lawlib



Reproduced from scanned originals with text recognition applied (searchable text may contain some errors and/or omissions)



# 115th MAINE LEGISLATURE

## **SECOND REGULAR SESSION-1992**

H.P. 1501

Legislative Document

House of Representatives, January 7, 1992

No. 2113

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26. Reference to the Committee on Business Legislation suggested and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative GURNEY of Portland. Cosponsored by Senator RICH of Cumberland.

### STATE OF MAINE

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

An Act to Clarify and Improve the Regulation of Home Food Service Plans.



	be it enacted by the reopie of the State of Maine as follows:
2	Co. 1 0 4 NATOCA 22 E02 4
4	Sec. 1. 9-A MRSA §3-503-A, as enacted by PL 1991, c. 239, §1, is further amended by adding at the end a new paragraph to read:
6	This section does not apply to any sale, by any seller, made pursuant to Title 32, chapter 69, subchapter VI, of home food
8	service plans.
10	Sec. 2. 32 MRSA $\$4662$ -A, as enacted by PL 1991, c. 239, $\$2$ , is further amended by adding at the end a new paragraph to read:
12 14	This section does not apply to any sale, by any seller, made pursuant to chapter 69, suchapter VI, of home food service plans.
16	Sec. 3. 32 MRSA c. 69, sub-c. VI is enacted to read:
18	SUBCHAPTER VI
20	HOME FOOD SERVICE PLAN SALES
22	§4673. Definitions
24	As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.
26	1. Buyer. "Buyer" means both the actual and prospective
28	purchaser of food items, nonfood items or services through a home food service plan but does not include persons purchasing such
30	items for resale.
32	2. Contract. "Contract" means all of the collective written agreements subscribed by a buyer at the time of sale
34	related to the purchase of a home food service plan, except promissory notes or other financing agreements.
36	
	3. Food item. "Food item" means each edible product sold
38	as part of a home food service plan, including but not limited to each constituent part or kind of meat cut from a primal source,
40	each kind of whole poultry or poultry part, seafood products and other like products.
42	4. Home food service plan. "Home food service plan" means
44	the offering for sale to a consumer of any food item or food item in combination with any nonfood product or services, whether or
46	not a membership fee or similar charge is involved, for a total

48

	A. The item or items are to be delivered to the dwelling of
2	the household consumer; or
4	B. The contract is entered into at the dwelling of the household consumer.
6	
	5. Item price. "Item price" means the price of a food or
8	nonfood item sold as part of a home food service plan, computed
	to the nearest whole cent, exclusive of any service charges and
10	expressed in relation to the appropriate unit of weight, measure
	or count of the item.
12	
	6. Nonfood item. "Nonfood item" means each inedible
14	product sold as part of a home food service plan, including but
	not limited to paper products, health and beauty products,
16	detergents, cleaners and disinfectants, rolls of wrapping and
	like products. "Nonfood item" does not include food items and
18	durable consumer goods such as appliances.
20	7. Primal source. "Primal source" means the following
	cuts: for beef, the primal sources are the round, flank, loin,
22	rib, plate, brisket, chuck and shank; for veal and lamb or
	mutton, the primal sources are the leg, flank, loin, rack (rib)
24	and shoulder; and for pork, the primal sources are the belly,
	loin, ham, spareribs, shoulder and jowl.
26	
	8. Seller. "Seller" means any person, partnership,
28	corporation or association, however organized, engaged in the
	sale of a home food service plan.
30	
	9. Service charge. "Service charge" means the aggregate
32	price for any additional features, services and processing
	associated with the purchase of a home food service plan,
34	including but not limited to cutting, wrapping, freezing,
	delivery and membership fees.
36	
	§4674. Written agreement and disclosure requirements at the time
38	<u>of sale</u>
4.0	
40	1. Contents of written agreement. The seller shall provide
	the buyer with a single document, referred to in this subsection
42	as the "written agreement," which must clearly and conspicuously
	disclose the following:
14	3 m
1 6	A. The name, address and telephone number of the seller and
16	the name and address of the buyer;
4.0	D. Miss fals of the soulther
18	B. The date of the written agreement;

2	c. The price of the food and nonfood items of the home food service plan;
_	SCI VICE PILLIP
4	D. The price of the service charge associated with the home
6	food service plan;
Ü	E. The total price of the home food service plan including
8	the price of the food and nonfood items and the price of the
10	service charge; and
10	F. A statement that the buyer has the right to cancel the
12	home food service plan contract until midnight of the 3rd
	business day after the date on which the buyer executed the
14	contract or after the day on which the seller provided the
16	buyer with a fully executed copy of the contract, whichever
Τ0	is later, by giving written notice of cancellation to the seller. A notice in the form provided in federal or state
18	statutes, rules or regulations governing form of notice of
	right of concellation, including notice pursuant to Title
20	9-A, section 3-503, is considered satisfactory notice of the
22	requirements of this section.
<i>L L</i>	2. Additional contract document; disclosure. In addition
24	to the disclosures required on the written agreement under
	subsection 1, the following disclosures must be given to the
26	buyer in additional contract documents at the time of sale:
28	A. A written list of all food and nonfood items offered for
	sale that includes:
30	
22	(1) The identity of each item and, where applicable,
32	the USDA quality grade of the item, the primal source and the brand or trade name;
34	and the brand or trade name,
	(2) The quantity of each item;
36	
38	(3) The estimated serving size by net weight of each
30	piece of meat, poultry and seafood item offered for sale under the home food service plan. These estimates
40	may not differ from the actual weight at the time of
•	delivery by more than 5% and that the dollar value of
42	the meat, poultry and seafood items delivered must be
4.4	equal to or greater than that represented to the buyer;
44	<u>and</u>
46	(4) The net weight, measure or count of all other food
	and nonfood items offered for sale;
48	
50	B. A dated item price list stating in dollars and cents the

	MCGBGIC GHG CHC COCGI BGIC PIICO OF CGCH 100G ICOM CO DC
2	delivered. This price list must clearly and conspicuously
	make reference to whether there are additional costs
4	disclosed in the written contract relating to any service
6	charges associated with the purchase of the home food service plan; and
U	service pran, and
8	C. If a membership is sold, a written statement of all
	terms, conditions, benefits and privileges applicable to the
10	membership.
12	§4675. Contract and disclosure requirement at the time of
7.4	delivery
14	1. Receipt; disclosure. Except where preempted by
16	applicable federal packaging and labeling law, the seller shall
10	provide a receipt for signature by the buyer disclosing the
18	following information:
20	A. The identity of the item and the net quantity of the
	contents by either weight, measure or count as required by
22	applicable law. The net weight of each food item delivered
	must be within the tolerance specified in section 4674,
24	subsection 2, paragraph A, subparagraph (3); and
26	C The item puice and total gales price of south food and
20	C. The item price and total sales price of each food and nonfood item. The item price must be the same as that
28	specified on the item price list given to the buyer at the
-0	time of sale.
30	
	Sec. 4. 32 MRSA §4681, sub-§3, as amended by PL 1991, c. 239,
32	§3, is further amended to read:
34	3. Merchandise. "Merchandise" includes any objects, wares,
2.6	goods, promises, commodities, intangibles, services or other
36	things of value but does not include food, except food sold by directly contacting the consumer in the consumer's residence
38	unless sold pursuant to the requirements of chapter 69,
30	subchapter VI or technical and vocational schools located outside
40	of the State that are registered pursuant to Title 20-A, section
_	9501.
42	
44	STATEMENT OF FACT
	·
16	This bill expands upon Public Law 1991, chapter 239 by
1.0	providing a specific regulatory framework for home food service
18	plan sales. The bill clarifies differences among permissible and
50	prohibited sales methods and requires all those who sell services or memberships as well as food products with home food service
, 0	or membersurbs as werr as room broducts with home rood service

plans to provide in writing the item price for each food product sold and to provide consumers a single simply phrased contract separately setting forth the aggregate cost of the services or membership purchased and the aggregate cost of the food products.