

# MAINE STATE LEGISLATURE

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# 120th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2001

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Legislative Document

No. 153

H.P. 142

House of Representatives, January 16, 2001

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**An Act to Reduce Finance Charges on Consumer Loans.**

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

*Millicent M. MacFarland*

MILLICENT M. MacFARLAND, Clerk

Presented by Representative SMITH of Van Buren.  
Cosponsored by Representative SAVAGE of Buxton.

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

4 **Sec. 1. 9-A MRSA §2-401, sub-§2, ¶A,** as amended by PL 1997, c.  
727, Pt. B, §10, is further amended to read:

6 A. The total of:

8 (i) ~~30%~~ 24% per year on that part of the unpaid  
10 balances of the amount financed that is ~~\$2,000~~ \$1,000  
or less;

12 (ii) ~~24%~~ 21% per year on that part of the unpaid  
14 balances of the amount financed that is more than  
~~\$2,000~~ \$1,000 but does not exceed ~~\$4,000~~ \$2,000; and

16 (iii) 18% per year on that part of the unpaid balances  
18 of the amount financed that is more than ~~\$4,000~~ \$2,000.

20 **SUMMARY**

22 This bill reduces the amount that may be charged by a lender  
as a finance charge for a consumer loan.