

MAINE STATE LEGISLATURE

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BANKING AND INSURANCE

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
120TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 322, L.D. 412, Bill, "An Act to Amend the Maine Consumer Credit Code"

Amend the bill in section 1 in subsection 3 in the last line (page 1, line 8 in L.D.) by inserting after the following: "months" the following: ' , except that interest or costs may not accrue in connection with the deferral of the first periodic payment'

Further amend the bill by inserting at the end before the summary the following:

FISCAL NOTE

The Bureau of Banking and the Office of Consumer Credit Regulation within the Department of Professional and Financial Regulation will incur some minor additional costs to enforce the change in law that allows consumers to defer their first payment of principal and interest for up to one year. These costs can be absorbed within the department's existing budgeted resources.'

SUMMARY

This amendment clarifies that interest or costs may not be assessed against a consumer as the result of any period of deferral of the initial payment in a consumer credit transaction. The assessment of allowable costs is permitted if those costs are not associated with the deferral, such as costs incurred by default other than for nonpayment. The amendment also adds a fiscal note to the bill.