

MAINE STATE LEGISLATURE

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L.D. 1132

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
121ST LEGISLATURE
FIRST REGULAR SESSION

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 835, L.D. 1132, Bill, "An Act To Simplify Calculation of Legal Interest"

Amend the amendment in section 6 in that part designated "~~§1602-B.~~" by striking out all of subsection 1 (page 3, lines 4 to 18 in amendment) and inserting in its place the following:

1. In small claims. In small claims actions, prejudgment interest is not recoverable unless the rate of interest is based on a contract or note.

2. On contracts and notes. In all civil and small claims actions involving a contract or note that contains a provision relating to interest, prejudgment interest is allowed at the rate set forth in the contract or note.

3. In other civil actions. In civil actions other than those set forth in subsection 2, prejudgment interest is allowed at the bank prime loan interest rate, as published by the Board of Governors of the Federal Reserve System, on the first business day in January of the year in which prejudgment interest begins to accrue pursuant to subsection 5, plus 3%.

4. Stated rate. When prejudgment interest is awarded pursuant to subsection 2 or 3, the applicable rate must be stated in the judgment.'

Further amend the amendment in section 6 in that part designated "~~§1602-B.~~" by renumbering the subsections to read consecutively.

Further amend the amendment in section 7 in that part designated "~~§7487.~~" by striking out all of the first paragraph (page 4, lines 28 to 30 in amendment) and inserting in its place the following:

'A person who is awarded a money judgment in a small claims action is entitled to ~~post-judgment~~ interest in accordance with ~~section-1602-A~~ sections 1602-B and 1602-C.'

SUMMARY

This amendment specifies that in small claims actions, prejudgment interest is not recoverable unless the rate of interest is based on a contract or note.

SPONSORED BY: Peter Mills
(Representative P. MILLS)

TOWN: Cornville