

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)



122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 338

S.P. 100

In Senate, January 20, 2005

An Act To Clarify the Applicability of the Maine Consumer Credit Code to Affordable Housing Organizations

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator MAYO of Sagadahoc.
Cosponsored by Speaker RICHARDSON of Brunswick and
Representatives: GERZOFKY of Brunswick, GROSE of Woolwich, PERCY of Phippsburg,
WATSON of Bath.

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

2

Sec. 1. 9-A MRSA §1-202, sub-§7, as amended by PL 1987, c. 129, §10, is further amended to read:

4

6

7. A loan or consumer credit sale made exclusively for the purpose of deferring or financing educational expenses and on which the finance charge does not exceed that rate per year on the unpaid balances of the amount financed, as ~~shall--be~~ established by federal law, or, for loans or consumer credit sales for which federal law does not establish a rate, the highest rate established for educational loans under any federal program and which is insured, guaranteed, subsidized or made directly by the Federal Government, a state, a nonprofit private loan guaranty or organization, by the educational institution itself or through an endowment or trust fund affiliated with such an institution; ~~or~~

8

10

12

14

16

18

Sec. 2. 9-A MRSA §1-202, sub-§8, ¶C, as amended by PL 1987, c. 396, §2, is further amended to read:

20

22

C. With respect to a creditor other than a supervised financial organization, the exemption provided by this subsection ~~shall--apply~~ applies to ~~articles--II~~ Articles 2, III 3, IV 4 and V 5 only; ~~or~~

24

26

Sec. 3. 9-A MRSA §1-202, sub-§10 is enacted to read:

28

10. A no-interest credit sale by any affiliate of an international nonprofit housing organization that builds and renovates affordable housing that is sold for no profit to the organization. The exclusion in this subsection does not apply to Article 6, Part 1 or section 6-201, section 6-202, section 6-203, subsection 1 or section 6-204 or Article 8.

30

32

34

36

SUMMARY

38

This bill adds a provision to the Maine Consumer Credit Code concerning no-interest credit sales by any affiliate of an international nonprofit housing organization that builds and renovates affordable housing that is sold for no profit to the organization to clarify that, other than the truth-in-lending provisions of Article 8 and certain administration provisions of Article 6, the Maine Consumer Credit Code does not apply to those sales.

40

42

44

46