

# MAINE STATE LEGISLATURE

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AUGUSTA, MAINE

1  
Date: 4/10/06  
2

L.D. 2076  
(Filing No. H-982)

3 **Business, Research and Economic Development**

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5 **STATE OF MAINE**  
6 **HOUSE OF REPRESENTATIVES**  
7 **122ND LEGISLATURE**  
8 **SECOND REGULAR SESSION**

9 COMMITTEE AMENDMENT 'A' to H.P. 1469, L.D. 2076, Bill, "An Act Relating  
10 to Payday Loans"

11 Amend the bill by striking out everything after the enacting clause and before the  
12 summary and inserting in its place the following:

13 'Sec. 1. 9-A MRSA §1-201, sub-§1, as amended by PL 2001, c. 371, §1, is  
14 further amended to read:

15 1. Except as otherwise provided in this section, this Act applies to consumer credit  
16 transactions and open-end credit plans made or entered into in this State. For purposes of  
17 this Act, a consumer credit transaction or open-end credit plan is made or entered into in  
18 this State if:

19 A. A signed writing evidencing the obligation or offer of the consumer is received  
20 by the creditor in this State; ~~or~~

21 B. The creditor, wherever located, induces the consumer who is a resident of this  
22 State to enter into the transaction or open-end credit plan by face-to-face, mail,  
23 telephone or electronic mail solicitation in this State; or

24 C. With respect to a payday loan, the lender, wherever located, enters into a payday  
25 loan transaction with a consumer who is located in this State.

26 Sec. 2. 9-A MRSA §1-301, sub-§28-A is enacted to read:

27 28-A. "Payday loan" means a supervised loan or other credit transaction in which a  
28 cash advance is made to a consumer in exchange for the consumer's personal check or in  
29 exchange for the consumer's authorization to debit the consumer's deposit account and  
30 when the parties agree either that the check will not be cashed or deposited or that the  
31 consumer's deposit account will not be debited until a designated future date.'

32 **SUMMARY**

33 This amendment replaces the bill. It provides for the integration of the regulation of  
34 Internet-based payday lending into the Maine Consumer Credit Code. It provides a

COMMITTEE AMENDMENT "A" to H.P. 1469, L.D. 2076

- 1 definition of "payday loan" in the definition section of the Code and amends the territorial
- 2 application provision of the Code to clarify that it applies to payday lenders, wherever
- 3 located, that make payday loans to consumers in this State.