

# MAINE STATE LEGISLATURE

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# 124th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2009

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Legislative Document

No. 446

H.P. 334

House of Representatives, February 10, 2009

### **An Act To Protect Consumers from Credit Card and Debit Card Holds**

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

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative BEAUDOIN of Biddeford.  
Cosponsored by Senator BOWMAN of York and  
Representatives: BOLAND of Sanford, CASAVANT of Biddeford, CELLI of Brewer,  
GOODE of Bangor, MORRISON of South Portland, TREAT of Hallowell, TUTTLE of  
Sanford, WAGNER of Lewiston.

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

2 **Sec. 1. 10 MRSA §1149-A** is enacted to read:

3 **§1149-A. Credit card or debit card holds**

4 **1. Excess hold prohibited.** A person, firm, partnership, association, corporation or  
5 limited liability company that accepts credit cards or debit cards for the transaction of  
6 business may not place a hold on a credit card or debit card for an amount that exceeds  
7 the actual transaction amount unless that person, firm, partnership, association,  
8 corporation or limited liability company, within one hour of the completion of the  
9 transaction, reduces the amount of the hold to the actual transaction amount, rounded up  
10 to the nearest dollar. As used in this section, "hold" means a transaction conveyed to a  
11 consumer's credit card or debit card issuer that decreases the amount of credit or funds  
12 available to that consumer.

13 **2. Violation.** A person, firm, partnership, association, corporation or limited liability  
14 company that violates this section is subject to a fine not to exceed \$250 for the first  
15 violation and \$1,000 for each subsequent violation. A fine may not be assessed for a  
16 violation of this section if the person, firm, partnership, association, corporation or  
17 limited liability company demonstrates by a preponderance of the evidence that the  
18 defendant has adopted procedures reasonably designed to avoid errors and that the  
19 violation was unintentional and resulted from a bona fide error.

20 **Sec. 2. Maine Revised Statutes headnote amended; revision clause.** In the  
21 Maine Revised Statutes, Title 10, chapter 202-D, in the chapter headnote, the words  
22 "credit card and debit card receipts" are amended to read "credit cards and debit cards"  
23 and the Revisor of Statutes shall implement this revision when updating, publishing or  
24 republishing the statutes.

25 **SUMMARY**

26 This bill prohibits a merchant from placing a hold on the credit or funds available to a  
27 consumer using a credit card or debit card in excess of the actual transaction amount  
28 unless the merchant reduces the hold to the actual transaction amount within one hour of  
29 the completion of the sale. A fine of \$250 for the first violation and \$1,000 for  
30 subsequent violations is provided.