

# MAINE STATE LEGISLATURE

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NEW DRAFT.

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# Sixty-Ninth Legislature.

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HOUSE.

No. 83.

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## STATE OF MAINE.

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IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT  
HUNDRED AND NINETY-NINE.

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AN ACT to limit the Rate of Interest on Loans on Personal  
Property.

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*Be it enacted by the Senate and House of Representatives in  
Legislature assembled, as follows:*

Section 1. All loans hereafter contracted for less than two  
2 hundred dollars that are secured by mortgage or pledge of  
3 personal property shall be dischargeable by the debtor upon  
4 payment or tender of the principal sum actually borrowed  
5 and interest at the rate specified therein which shall not ex-  
6 ceed three per cent. per month for a period not exceeding  
7 three months, and thereafter not exceeding the rate of fifteen

8 per cent. per annum, no renewal thereof to bear a greater  
9 rate than fifteen per cent. per annum; a sum not  
10 exceeding three dollars for the actual expenses of making the  
11 loan and in securing the same may be charged and collected.  
12 And all loans made in violation of this act shall bear interest  
13 at the legal rate of interest only; provided that nothing in  
14 this act shall be construed to affect or to repeal section three  
15 of chapter thirty-five of the Revised Statutes or chapter forty-  
16 five of the Revised Statutes.

Sect. 2. When a loan for less than two hundred dollars is  
2 secured by mortgage or pledge of personal property the cred-  
3 itor shall discharge such mortgage and restore such pledge  
4 upon payment or tender to him of the amount due him  
5 under this act, and such payment or tender may be made by  
6 the debtor or by any person having an interest in the property  
7 pledged or mortgaged.

Sect. 3. No mortgage of household furniture made to  
2 secure a loan under the provisions of this act shall be valid  
3 unless it states with substantial accuracy the amount of the  
4 loan, the time for which the loan is made, the rate of interest  
5 to be paid and the actual expense of making and securing the  
6 loan.

Sect. 4. Whoever refuses or neglects after a request to  
2 discharge a mortgage or to restore the property held as a  
3 pledge as provided in section two of this act shall be liable in  
4 an action of tort for all damages resulting to him for any  
5 violation of said section two.

Sect. 5. This act shall not be construed to apply to licensed  
2 pawnbrokers nor to repeal or affect section thirty-one of chap-

3 ter forty-seven in relation to banking or chapter forty-five of  
4 the Revised Statutes.

Sect. 6. This act shall take effect when approved.

STATE OF MAINE.

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HOUSE OF REPRESENTATIVES,

Augusta, February 10, 1899.

Reported by Mr. MOREY of Lewiston, from Committee on Legal  
Affairs, and ordered printed under joint rules.

W. S. COTTON, *Clerk.*