

# MAINE STATE LEGISLATURE

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NEW DRAFT.

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# SEVENTY-SECOND LEGISLATURE

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HOUSE.

No. 412

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## STATE OF MAINE.

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IN THE YEAR OF OUR LORD ONE THOUSAND NINE  
HUNDRED AND FIVE.

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AN ACT to amend section 2 of chapter 46 of the Revised Stat-  
utes relating to 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. Section two of chapter 46 of the Revised Stat-  
utes is hereby amended by striking out the words "And all  
loans made in violation hereof shall bear interest at the legal  
rate of interest only," and inserting in lieu thereof the fol-  
lowing: 'And all loans made in violation of this act shall bear  
interest at the rate of six per cent only, and all payments  
made in excess of six per cent interest on loans so made in  
violation hereof, shall be applied to the discharge of the prin-

9 cipal; and, in case a greater sum has been paid by the bor-  
10 rower than the amount of the principal and interest at six  
11 per cent on loans so made in violation hereof, he may recover  
12 the same from the lender in an action on the case,' so that  
13 said section as amended shall read as follows:

'Sect. 2. All loans contracted after March eleven, eighteen  
15 hundred and ninety-nine, for less than two hundred dollars,  
16 secured by mortgage or pledge of personal property, shall  
17 be dischargeable by the debtor upon payment or tender of the  
18 principal sum actually borrowed, and interest at the rate  
19 specified therein, which shall not exceed three per cent a  
20 month for a period not exceeding three months, and there-  
21 after not exceeding the rate of fifteen per cent a year; no  
22 renewal thereof to bear a greater rate than fifteen per cent a  
23 year. A sum not exceeding three dollars for the actual  
24 expense of making the loan and in securing the same may be  
25 charged and collected. And all loans made in violation of this  
26 act shall bear interest at the rate of six per cent only, and all  
27 payments made in excess of six per cent interest on loans  
28 so made in violation hereof shall be applied to the discharge  
29 of the principal; and, in case a greater sum has been paid  
30 by the borrower than the amount of the principal and interest  
31 at six per cent on loans so made in violation hereof, may be  
32 recovered from the holder of said security by the borrower,  
33 in an action of the case.'



STATE OF MAINE.

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HOUSE OF REPRESENTATIVES,

Augusta, March 8, 1905.

Reported by Mr. LITTLEFIELD from Committee on Judiciary and  
ordered printed under joint rules.

E. M. THOMPSON, *Clerk.*