

MAINE STATE LEGISLATURE

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E I G H T Y - N I N T H L E G I S L A T U R E

Legislative Document

No. 861

H. P. 1543

House of Representatives, February 14, 1939.

Referred to Committee on Banks and Banking and sent up for concurrence. 500 copies ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. Cleaves of Presque Isle.

S T A T E O F M A I N E

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
THIRTY-NINE

AN ACT Regulating Automobile Finance Business.

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

Sec. 1. Automobile finance business; definition. Any person, firm or corporation, except a bank or trust company authorized to do business in this state, who shall to another loan money or extend credit and have, hold or retain as security therefor a lien, personal mortgage or conditional sale contract upon a motor vehicle registered under the laws of this state, if the aggregate of said loans or credits in any calendar year exceeds \$5,000 shall be deemed to be engaged in the automobile finance business.

Sec. 2. License. No person shall engage in the automobile finance business in this state unless licensed so to do by the insurance commissioner, who may issue such license to any person, firm or corporation who in writing applies therefor, pays a license fee of \$100 and furnishes evidence satisfactory to said commissioner that said person, firm or corporation is reliable and entitled to confidence, and if the insurance commissioner is satisfied that the issuance of said license will not be inconsistent with the public interest.

Sec. 3. Conditions and limitations. The insurance commissioner may issue such licenses subject to such reasonable conditions and limitations as he may deem to be in the public interest.

Sec. 4. Revocation of license. The insurance commissioner may revoke the license of any person to do an automobile finance business, after notice and hearing, if he finds that such person, or his agent or employee while purporting to act in his behalf, has violated any provision of law, or is not entitled to confidence or has failed to conform to the reasonable conditions and limitations imposed by the insurance commissioner as being in the public interest.

Sec. 5. Suspension of license. When the insurance commissioner shall have reasonable cause to believe a licensee has violated any provision of law, is not entitled to confidence or has failed to conform to said reasonable conditions and limitations said license may be suspended for such time as the insurance commissioner may determine.

Sec. 6. Penalty. Any person violating any provision of this act or knowingly giving the insurance commissioner false or misleading facts, or engaging in the business of automobile finance without a license shall be fined not more than \$5,000 or imprisoned not more than 5 years or both such fine and imprisonment. Each day a person violates any provision hereof shall be deemed a separate offense.

Sec. 7. Rules and regulations. In administering this act the insurance commissioner shall have power to make orders hereunder, conduct hearings, issue subpoena and examine under oath any person engaged in the automobile finance business, their agents or employees and other witnesses and compel the production of any books, records and accounts which he deems necessary to carry out the provisions hereof. Said insurance commissioner may adopt, promulgate and enforce such reasonable rules and regulations as he deems necessary and advisable.

Sec. 8. Testimonial privilege. No person shall be excused from testifying or from producing any books, papers, contracts, agreements or documents at any hearing against any person charged with violating any of the provisions hereof, on the ground that such testimony or evidence may tend to incriminate him; but no person shall be prosecuted for any act concerning which he shall be compelled so to testify or produce evidence, documentary or otherwise, except for perjury committed in so testifying.