

# 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

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Legislative Document

No. 1112

H. P. 2124

House of Representatives, March 31, 1939.

Reported by Mr. Marshall from Committee on Banks and Banking and laid on table to be printed under joint rules.

HARVEY R. PEASE, Clerk.

Presented by Mr. Cleaves of Presque Isle.

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S T A T E   O F   M A I N E

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I N   T H E   Y E A R   O F   O U R   L O R D   N I N E T E E N   H U N D R E D  
T H I R T Y - N I N E

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A N   A C T   R e g u l a t i n g   A u t o m o b i l e   F i n a n c e   B u s i n e s s .

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

**Sec. 1. Financing of time sales on motor vehicles; license; fee; refusal to issue or renew; appeal.** Any person, firm or corporation desiring to conduct the business of financing time sales on motor vehicles, shall annually make application to the insurance commissioner for a license to conduct said business and said application shall be made on forms prepared and furnished by the insurance commissioner and shall state such information as may be asked for thereon. The insurance commissioner shall examine the facts stated in said application for license and may issue or renew a license to said applicant authorizing said applicant to engage in said business. Said licenses shall expire on the 30th day of June of each calendar year. All applications for such licenses shall be accompanied by a fee of \$50, which said fee shall be returned in the event that application is denied. If the insurance commissioner, after investigation, shall find that the applicant is not of good repute or **has been guilty** of fraudulent or unfair business practices or misrepresentations to the public, he may refuse to issue or renew the license so applied for and he shall in writing notify the applicant of his failure to approve of said application and to issue or

renew a license based thereon, and shall also state in writing his reasons for said refusal. If said refusal shall be to renew a license previously issued, said refusal shall not become effective until 15 days from the date thereof, and the license previously issued shall continue in full force and effect during said period of 15 days notwithstanding that said period may extend beyond the 30th day of June. Any applicant receiving from the insurance commissioner notice of his refusal to so issue or renew a license to said applicant may within 60 days after the receipt of said notice file an appeal to the superior court in and for the county in which the applicant has a place of business, and if said appeal shall be from the refusal of the insurance commissioner to renew a license previously issued, such license shall continue in full force and effect pending final decision on said appeal notwithstanding that said period may extend beyond the 30th day of June. After such notice as it shall order and upon hearing, said court shall determine whether or not the reasons assigned by the commissioner for said refusal are valid and said court shall thereupon sustain or reverse the ruling of the insurance commissioner. If said court shall find that the reasons assigned by the insurance commissioner for his refusal to issue or renew said license are not sufficient, and shall reverse the decision of said insurance commissioner, the insurance commissioner shall immediately issue the license or renewal of license so applied for. The insurance commissioner may, after notice and hearing, revoke or suspend any license issued by him, which said order of revocation or suspension shall become effective at the end of 15 days from the date of issuance, and said licensee shall have the same right to an appeal from such suspension or revocation as is above provided. Pending final decision on any appeal from an order revoking or suspending any license previously issued, the license shall continue in full force and effect.

**Sec. 2. Penalty.** Any person conducting the business of financing time sales on motor vehicles without being licensed by the insurance commissioner shall be punished by a fine of not more than \$500, or by imprisonment for not more than 30 days, or by both such fine and imprisonment.