

MAINE STATE LEGISLATURE

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

Legislative Document

No. 371

H. P. 1119

House of Representatives, February 4, 1941.

Referred to Committee on Banks and Banking and sent up for concurrence. 750 copies ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. McGlauffin of Portland by request.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FORTY-ONE

AN ACT Relating to Interest on Small Loans.

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

R. S., c. 57, § 150, amended. Section 150 of chapter 57 of the revised statutes, as amended by chapter 286 of the public laws of 1939, is hereby further amended to read as follows:

'Sec. 150. Amount of loan and rate of interest limited. Every person, copartnership, and corporation licensed hereunder may loan any sum of money, goods, or choses in action not exceeding in amount or value the sum of \$300, and may charge, contract for, and receive thereon interest at a rate not to exceed ~~three per cent~~ 1% per month on that part of the unpaid principal balance of any loan not in excess of \$150, and 2½% per month on any remainder of such unpaid principal balance, provided, however, that a minimum charge of not exceeding 25c shall be allowable in all cases. No person shall owe any licensee at any time more than \$300 for principal. No licensee shall induce or permit any borrower to split up or divide any loan, and all sums owed by any person at any one time shall be considered as 1 contract of loan for the purpose of computing the interest payable thereon. No licensee shall induce or permit any person, nor any husband

and wife, jointly or severally, to become obligated, directly or contingently or both, under more than 1 contract of loan at the same time, for the purpose or with the result of obtaining a higher rate of interest than would otherwise be permitted by this section.'