

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

AS PASSED BY THE

Ninety-sixth Legislature

OF THE

STATE OF MAINE

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PUBLIC LAWS

OF THE

STATE OF MAINE

As Passed by the Ninety-sixth Legislature

1953

'The members of the committee shall serve without compensation but shall be reimbursed for expenses incurred in the performance of their duties. They are authorized to select and employ an executive secretary-advertising and merchandising manager to administer the advertising, merchandising, research and development program, in concurrence with the Maine development commission and the commissioner of sea and shore fisheries, and to fix his salary. The executive secretary, with the consent of the committee, is authorized subject to the provisions of the personnel law to engage sufficient clerical personnel and other employees for the efficient performance of his duties.'

Effective August 8, 1953

Chapter 215

AN ACT Relating to Licensed Small Loan Agencies.

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

Sec. 1. R. S., c. 55, § 190, amended. The 1st sentence of section 190 of chapter 55 of the revised statutes is hereby amended to read as follows:

'No person, copartnership or corporation shall engage in the business of making any loan of money, credit, goods, or choses in action in the amount or to the value of ~~\$300~~ \$2,500, or less, whether secured or unsecured, and charge, contract for, or receive a greater rate of interest than 12% per year therefor, without first obtaining a license from the bank commissioner.'

Sec. 2. R. S., c. 55, § 196, repealed and replaced. Section 196 of chapter 55 of the revised statutes is hereby repealed and the following enacted in place thereof:

'Sec. 196. False statements as to rates, etc., distributed by licensee. In the soliciting of loans in any manner or advertising the business in any manner, no person, copartnership or corporation licensed under the provisions of section 191 shall print, publish, broadcast, telecast or cause to be printed, published, broadcast, telecast or distributed in any manner whatsoever, any written or printed statement with regard to the rates, terms or conditions for the lending of money, credit, goods or choses in action, in amounts of \$2,500 or less, which is false, misleading or deceptive.'

Sec. 3. R. S., c. 55, § 197, amended. Section 197 of chapter 55 of the revised statutes is hereby amended to read as follows:

'Sec. 197. Amount of loan and rate of interest. Every person, copartnership and corporation licensed under the provisions of sections 190 to 207, inclusive, may loan any sum of money, goods, or choses in action not exceeding in amount or value the sum of ~~\$300~~ \$2,500, any lower limitation of amount in its charter notwithstanding, and may charge, contract for, and receive thereon interest at a rate not to exceed 3% per month on that part of the unpaid principal balance of any loan not in excess of \$150, and ~~2 1/2%~~ per month on any remainder of such unpaid principal balance 2 1/2% per month on that part of the unpaid principal balance in excess of \$150, but not exceeding \$300, and 1 1/2% 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~~ \$2,500 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.

Sec. 4. R. S., c. 55, § 202, amended. The 1st sentence of section 202 of chapter 55 of the revised statutes is hereby amended to read as follows:

'No person, copartnership, or corporation, except as authorized by sections 190 to 207, inclusive, shall, directly or indirectly, charge, contract for, or receive any interest or consideration greater than 12% per year upon the loan, use, or forbearance of money, goods, or choses in action, or upon the loan, use, or sale of credit, of the amount or value of ~~\$300~~ \$2,500 or less.'

Sec. 5. R. S., c. 55, § 207, amended. The 1st sentence of section 207 of chapter 55 of the revised statutes is hereby amended to read as follows:

'No person, corporation or partnership shall engage within this state in the business of acting as the agent or attorney of non-resident borrowers of money in sums of ~~\$300~~ \$2,500 or less, with intent to evade the usury laws in force in the foreign state or territory in which the actual borrower has his residence when such loan, or any contract in connection therewith, is made.'