

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWELFTH LEGISLATURE

FIRST REGULAR SESSION

December 5, 1984 to June 20, 1985

Chapters 1-384

PUBLISHED BY THE REVISOR OF STATUTES IN ACCORDANCE WITH
MAINE REVISED STATUTES ANNOTATED, TITLE 3, SECTION 163-A,
SUBSECTION 4.

J.S. McCarthy Co., Inc.
Augusta, Maine
1986

PUBLIC LAWS
OF THE
STATE OF MAINE

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ONE HUNDRED AND TWELFTH LEGISLATURE

1985

this Title or older is present in a supervisory capacity.

Sec. 3. PL 1983, c. 755, §14 is repealed.

Effective September 19, 1985.

CHAPTER 134

H.P. 154 - L.D. 188

AN ACT to Amend the Maine Consumer Credit Code.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Federal Trade Commission has adopted regulations on notice to cosigners which become effective on March 1, 1985; and

Whereas, under Maine law, notices to cosigners is similar to that required by the Federal Trade Commission; and

Whereas, this bill harmonizes state and federal requirements; and

Whereas, it is essential to avoid duplicative and costly notices to cosigners; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 9-A MRSA §3-206, sub-§6, as enacted by PL 1981, c. 638, §7, is repealed and the following enacted in its place:

6. Definitions. As used in this section, unless the context indicates otherwise, the following terms have the following meanings.

A. "Consumer credit transaction" means, with respect to open-end credit, an open-end credit plan or open-end credit account and the notices required by subsection 1, paragraph B and the notice described in subsection 2 shall be given before the first extension of credit pursuant to the open-end account.

B. "Cosigner, comaker, guarantor, endorser, surety or other similar party" means a natural person who renders himself liable for the obligation of another person without compensation. The terms include any person whose signature is requested as a condition to granting credit to another person, or as a condition forbearance on collection of another person's obligation that is in default. The term does not include a spouse whose signature is required on a credit obligation to perfect a security interest pursuant to state law. A person who does not receive goods, services or money in return for credit obligation does not receive compensation within the meaning of this definition. A person is a cosigner within the meaning of this definition whether or not he is designated as such on a credit obligation.

Sec. 2. 9-A MRSA §3-206, sub-§8 is enacted to read:

8. Notice not required where cosigners given notice in conformance with certain federal regulations. The notice described in subsection 2 shall not be required in any consumer credit transaction in which the creditor gives a notice to cosigners in the form set forth in regulations promulgated by the Federal Trade Commission, the Federal Reserve Board or the Federal Home Loan Bank Board.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

Effective May 2, 1985.

CHAPTER 135

H.P. 910 - L.D. 1299

AN ACT Relating to Septic System Permits.