

MAINE STATE LEGISLATURE

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STATE OF MAINE
ONE HUNDRED AND THIRTEENTH LEGISLATURE
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE ON
BANKING AND INSURANCE
BILL SUMMARY



JUNE 1987

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ONE HUNDRED AND THIRTEENTH LEGISLATURE
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JOINT STANDING COMMITTEE
BILL SUMMARIES
JUNE 1987

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature. The summaries are arranged by LD number under each committee.

All Adopted Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "COMMITTEE" if it is a committee amendment.

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Please let us know if you would prefer a different format or additional information and if the summaries are helpful.

Key to Committee Reports and Floor Action:

OTP	Ought to Pass
OTP-ND	Ought to Pass in New Draft
OTP-ND-NT	Ought to Pass in New Draft, New Title
OTP-A	Ought to Pass as Amended
ONTP	Ought Not to Pass
LVWD	Leave to Withdraw
INDEF PP	Indefinitely Postponed

LD
490

AN ACT TO ESTABLISH A FLUCTUATING CREDIT CARD
CHARGE

LVWD

Sponsor: BUSTIN, Tracy, Racine
Committee Report: LVWD

SUMMARY: This bill establishes a variable rate credit card rate system in Maine, with quarterly adjustments, while maintaining the 18% interest rate cap. The variable rate is based on the average yield on 3-month treasury bills for the period immediately preceding the quarter in question.

LD
500

AN ACT TO REGULATE CONTINUING CARE RETIREMENT
COMMUNITIES

LVWD

Sponsor: CLARK, M., Clark, N., Melendy, Manning
Committee Report: LVWD

SUMMARY: This bill is one of two bills introduced seeking to regulate continuing care retirement communities. This bill requires the Bureau of Insurance to issue certificates of authority to monitor these communities.

See also LD 1859, the new draft of LD 672.

LD
503

AN ACT TO CLARIFY AND SIMPLIFY THE MAINE
CONSUMER CREDIT CODE

PL 1987
c. 129

Sponsor: CLARK, N., Dillenback, Theriault, Curran
Committee Report: OTP-AM
Amendments Adopted:
S-48 COMMITTEE

SUMMARY: This bill makes technical changes to the Consumer Credit Code and eliminates ambiguities in certain terms, procedures, rights and remedies. Some changes are made to blend with Regulation Z, the federal Truth-in-Lending regulation. The bill eliminates a provision in the Code that prohibits the capitalization of more than 60 days interest on a loan refinancing. The bill changes current law to allow a creditor to rewrite a loan at any rate within the rate ceiling instead of an increase of no more than 1%. The bill also includes a 2-year "sunrise" provision which will re-enact current law unless the Legislature affirmatively acts.

Committee Amendment A (S-48) made several technical changes and deleted controversial sections regarding class action suits and home solicitation sales.