

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act Relating to Payday Loans

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

Sec. 1. 9-A MRSA §1-201, sub-§1, as amended by PL 2001, c. 371, §1, is further amended to read:

1. Except as otherwise provided in this section, this Act applies to consumer credit transactions and open-end credit plans made or entered into in this State. For purposes of this Act, a consumer credit transaction or open-end credit plan is made or entered into in this State if:

A. A signed writing evidencing the obligation or offer of the consumer is received by the creditor in this State; ~~or~~

B. The creditor, wherever located, induces the consumer who is a resident of this State to enter into the transaction or open-end credit plan by face-to-face, mail, telephone or electronic mail solicitation in this State; or

C. With respect to a payday loan, the lender, wherever located, enters into a payday loan transaction with a consumer who is located in this State.

Sec. 2. 9-A MRSA §1-301, sub-§28-A is enacted to read:

28-A. "Payday loan" means a supervised loan or other credit transaction in which a cash advance is made to a consumer in exchange for the consumer's personal check or in exchange for the consumer's authorization to debit the consumer's deposit account and when the parties agree either that the check will not be cashed or deposited or that the consumer's deposit account will not be debited until a designated future date.