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Public Law
123rd Legislature
First Regular Session

Chapter 250
S.P. 516 - L.D. 1489

An Act To Enhance Fairness in Arbitration

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

Sec. 1. 10 MRSA c. 212-B is enacted to read:

CHAPTER 212-B

CONSUMER ARBITRATION AGREEMENTS

§ 1391. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Administrator. "Administrator" means the Director of the Office of Consumer Credit Regulation within the Department of Professional and Financial Regulation.

2. Consumer. "Consumer" means an individual who uses, purchases, acquires, attempts to purchase or acquire or is offered or furnished credit or a loan for personal, family or household purposes.

3. Consumer arbitration. "Consumer arbitration" means binding arbitration under a consumer arbitration agreement in which a party to the arbitration is a consumer.

4. Consumer arbitration agreement. "Consumer arbitration agreement" means a standard contract with a consumer concerning the use of, purchase of, acquisition of, attempt to purchase or acquire, offer of or furnishing of credit or a loan for personal, family or household purposes.

5. Provider. "Provider" means a person that provides consumer arbitration or services related to consumer arbitration.

§ 1392. Reporting by arbitration service providers

1. Report on arbitration proceedings. Notwithstanding any contractual nondisclosure provisions governing a consumer arbitration proceeding or its disposition, a provider shall provide to the administrator, on a quarterly basis beginning January 1, 2008, the following information for each consumer arbitration with which the provider was involved during the prior quarter:

- A. The name of every party to the consumer arbitration and the name of the arbitrator;
- B. The type of dispute involved, such as credit card, personal loan, credit sale or other specified financial product or service;
- C. Whether the consumer was the prevailing party;
- D. Whether the consumer was represented by an attorney;
- E. The dates the provider received the request for consumer arbitration, the arbitrator was appointed and the disposition of the consumer arbitration was rendered;
- F. The type of disposition of the consumer arbitration, including withdrawal, abandonment, settlement, award after hearing, award without hearing, default and dismissal without hearing;
- G. The amount of the claim and the amount of any award or relief granted unless a settlement agreement prohibits the disclosure of this information; and
- H. The percentage of the arbitrator's fee allocated to each party.

2. Confidentiality. Except for the name of the provider and of individual arbitrators, the information reported to the administrator by a provider pursuant to subsection 1 related to each consumer arbitration is confidential and may not be disclosed by the administrator unless the information is disclosed in aggregate form.

3. Liability in providing information. A provider has no liability related to providing the information required to be provided under this section.

4. Violation. If a provider violates this section, the administrator may compel compliance pursuant to the provisions of Title 9-A, section 6-108 or, if the provider is an attorney, refer the violation to the Board of Overseers of the Bar.

Sec. 2. Report to the Legislature. On or before April 1, 2009, the Director of the Office of Consumer Credit Regulation within the Department of Professional and Financial Regulation shall compile the information reported by arbitration providers pursuant to the Maine Revised Statutes, Title 10, chapter 212-B and submit a report to the joint standing committee of the Legislature having jurisdiction over insurance and financial services matters. The joint standing committee may submit legislation based on the report to the First Regular Session of the 124th Legislature.

Effective September 20, 2007