

Sections 12-301(e), 12-303, 12-305 through 12-308, inclusive, ~~12-310(b)~~ ~~12-310(b)~~, and 12-311 through 12-316, inclusive, of Article - Commercial Law, of the Annotated Code of Maryland (1975 Volume and 1976 Supplement) be and they are hereby repealed and reenacted, with amendments, to read as follows:

Article - Commercial Law

12-301.

(e) "Loan" means any loan OR ADVANCE of money or [advance of] credit made under this subtitle.

12-303.

(a) A lender may not make a loan under this subtitle unless the loan is in an original amount or value which does not exceed [\$3,500] ~~\$7,500~~ \$6,000.

[(b) Any loan made to any one borrower by a lender who is also authorized by law to make small loans under Subtitle 2 of this title shall be made and governed entirely either by this subtitle or by Subtitle 2 of this title.]

(B) [(c)] (1) The purpose of this subsection is to prevent evasion of the provisions of this subtitle by means of a purchase or assignment of wages.

(2) For the purposes of this subtitle:

(i) The payment of [\$3,500] ~~\$7,500~~ \$6,000 or less in money, credit, goods, or things in action as consideration for any sale, assignment, or order for the payment of wages, whether earned or to be earned, is considered a loan of money secured by the sale, assignment, or order for payment of wages; and

(ii) The amount by which the wages exceeds the consideration paid for them is considered interest or charges on the loan from the date of the payment to the date the wages are payable.

(3) The transaction described in this subsection is governed by and subject to the provisions of this subtitle.

(C) THIS SUBTITLE APPLIES BUT IS NOT LIMITED TO A LENDER WHO:

(1) AS SECURITY FOR A LOAN, USE, OR FOREBEARANCE OF MONEY, GOODS, OR THINGS IN ACTION OR FOR ANY LOAN, USE, OR SALE OF CREDIT, WHETHER OR NOT THE TRANSACTION IS OR PURPOSES TO BE MADE UNDER THIS SUBTITLE, MAKES A PRETENDED PURCHASE OF PROPERTY FROM ANY PERSON AND PERMITS THE OWNER OR PLEDGOR TO RETAIN POSSESSION OF THE PROPERTY; OR