

FOR the purpose of making compliance with the provisions of the federal Truth-in-Lending Act be sufficient compliance with the provisions of State law; and similarly amending the law concerning consumer loans and secondary mortgage loans.

BY repealing and reenacting, with amendments,

Article - Commercial Law
 Section 12-106(b), 12-308(a), and 12-407(b)
 Annotated Code of Maryland
 (1975 Volume and 1978 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article - Commercial Law

12-106.

(b) (1) Before the execution of a loan contract UNDER THIS TITLE, the lender shall furnish to the borrower a written statement which sets forth:

(i) The total principal amount of the loan and the total amount of finance charge as defined in the federal Truth-in-Lending Act to be paid, stated in dollars, except that on loans payable on demand, the total amount of finance charge to be paid shall be stated on a per diem basis;

(ii) The annual effective rate of simple interest charged, stated in percentage calculated to the nearest 0.2 percent; and

(iii) The itemized amount of payments in addition to interest payable to the lender in connection with the loan at the time the loan is made, stated in dollars.

(2) If the loan is made to two or more borrowers, delivery of the statement to one borrower is sufficient, but a copy of the statement shall be furnished to each other borrower.

(3) Paragraphs (1) (i), (ii), and (iii) of this subsection do not apply to any loan subject to the disclosure provisions of the federal Truth-in-Lending Act, if

The lender complies with the applicable disclosure provisions of the federal act and its regulations.

(4) [Paragraph (1) (i) of this subsection shall not apply to any loan subject to the disclosure provisions