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 BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows: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

12-312.

(a) Subject to the provisions of this section, a lender may collect from the borrower, at the option of the borrower, the premiums paid for:

(1) Insurance covering any real or personal property pledged as security for the loan;

(2) Accident and health insurance covering any one borrower, if the insurance does not provide for benefits exceeding the actual period of disability; ~~and~~

(3) Credit life insurance:

(i) Covering any one borrower for any loan under $700 in value or amount; or

(ii) Covering any one or more borrowers for any loan of $700 or more in value or amount~~.~~ ; AND

(4) INVOLUNTARY UNEMPLOYMENT BENEFIT INSURANCE COVERING ANY ONE BORROWER, IF THE INSURANCE:

(I) DOES NOT PROVIDE FOR BENEFITS EXCEEDING THE ACTUAL PERIOD OF ~~EMPLOYMENT~~ UNEMPLOYMENT; AND

(II) IS NOT CONTINGENT UPON THE PURCHASE OF ANY OTHER TYPE OF INSURANCE PERMITTED UNDER THIS SUBTITLE.

(c) (1) The amount of property insurance may not exceed either the reasonable value of the property insured or the originally scheduled total of payments under the loan contract. The terms and conditions of the property insurance policy shall be filed with and approved by the Insurance Commissioner. Property insurance may not be provided if, to the lender's knowledge, the borrower at the time the loan is made has valid and collectible insurance covering the property to be insured and has furnished a loss payable endorsement for the protection of the lender.

(2) Accident and health insurance shall provide for:

(i) Benefits not exceeding the then scheduled unpaid total of payments of the loan;

(ii) A waiting period of at least 14 days; and