

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 1999.

Approved May 27, 1999.

CHAPTER 556

(Senate Bill 361)

AN ACT concerning

Credit Regulation - Financing of Prior Loan Balances

FOR the purpose of providing that the amount credited for the agreed value of goods, which must be stated in an installment sale agreement, may include certain amounts actually paid or to be paid by the seller on behalf of the buyer under certain circumstances; providing that certain provisions of Maryland law governing credit grantor closed end credit do not prohibit a credit grantor from including in the loan amount certain amounts actually paid or to be paid by the credit grantor on behalf of the borrower under certain circumstances; conforming certain disclosure requirements with requirements of the federal Truth in Lending Act; clarifying certain licensing requirements for certain sellers and credit grantors who finance certain prior loan balances; and generally relating to the financing of prior loan balances by certain sellers and credit grantors.

BY repealing and reenacting, with amendments,

Article - Commercial Law

Section 12-606(b)

Annotated Code of Maryland

(1990 Replacement Volume and 1998 Supplement)

BY adding to

Article - Commercial Law

Section 12-606(d) and 12-1012(c)

Annotated Code of Maryland

(1990 Replacement Volume and 1998 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Commercial Law

12-606.

(b) An installment sale agreement also shall state in simple tabular form the following separate items in the following order:

- (1) The cash price of the goods sold;