

interest and usury, consumer loans, ~~open end credit~~, and closed end credit; creating a Short-Term Small Consumer Loan Study Commission; providing for the membership and co-chairmen of and staff for the Study Commission; requiring the Study Commission to perform certain duties, including reporting to the General Assembly on or before a certain date; providing for the termination of certain provisions of this Act; defining a certain term; and generally relating to unsecured closed end credit services-businesses regulation.

BY repealing and reenacting, with amendments,

Article - Commercial Law

Section 14-1902

Annotated Code of Maryland

(2000 Replacement Volume and 2000 Supplement)

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

Article - Commercial Law

14-1902.

(A) A credit services business, its employees, and independent contractors who sell or attempt to sell the services of a credit services business shall not:

(1) Receive any money or other valuable consideration from the consumer, unless the credit services business has secured from the Commissioner a license under Title 11, Subtitle 3 of the Financial Institutions Article;

(2) Receive any money or other valuable consideration solely for referral of the consumer to a retail seller or to any other credit grantor who will or may extend credit to the consumer, if the credit extended to the consumer is substantially the same terms as those available to the general public;

(3) Make, or assist or advise any consumer to make, any statement or other representation that is false or misleading, or which by the exercise of reasonable care should be known to be false or misleading, to a consumer reporting agency, government agency, or person to whom the consumer applies or intends to apply for an extension of credit, regarding a consumer's creditworthiness, credit standing, credit capacity, or true identity;

(4) Make or use any false or misleading representations in the offer or sale of the services of a credit services business;

(5) Engage, directly or indirectly, in any act, practice, or course of business which operates as a fraud or deception on any person in connection with the offer or sale of the services of a credit services business;

(6) Charge or receive any money or other valuable consideration prior to full and complete performance of the services that the credit services business has agreed to perform for or on behalf of the consumer; [or]

(7) Create, assist a consumer to create, or provide a consumer with