

Article - Financial Institutions

Section 12-901 through ~~12-930~~ 12-931, inclusive, to be under the new subtitle
 "Subtitle 9. Maryland Debt Management Services Act"

Annotated Code of Maryland

(1998 Replacement Volume and 2002 Supplement)

BY repealing and reenacting, with amendments,

Article - Financial Institutions

Section 12-905

Annotated Code of Maryland

(1998 Replacement Volume and 2002 Supplement)

(As enacted by Section 1 of this Act)

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

Article - Commercial Law

[14-1316.

(a) In this section, "debt adjusting" means the making of a contract, expressed or implied, with a debtor and another person engaged in the debt adjusting business by which the debtor agrees to pay a certain amount of money periodically to the other, who for consideration distributes the money among specified creditors in accordance with an agreed plan.

(b) A person may not engage in the business of debt adjusting.

(c) A person who violates this section is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 6 months or a fine not exceeding \$500 or both.

(d) This section does not apply to the following when engaged in the regular course of their respective businesses and professions:

(1) A lawyer;

(2) A bank or fiduciary, authorized to transact business in this State and perform credit and financial adjusting service in the regular course of its principal business;

(3) A title insurer or abstract company, while doing an escrow business;

(4) A judicial officer or a person acting under a court order;

(5) A nonprofit, religious, fraternal, or cooperative organization that offers debt management service exclusively for members, if a charge is not made and a fee is not imposed;

(6) A certified public accountant; and