

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

Article - Commercial Law

12-912.

(a) A credit grantor may, if the agreement governing a revolving credit plan permits, at any time amend the terms of the agreement in accordance with the provisions of this section including:

- (1) The terms governing the periodic percentage rate used to calculate interest or finance charges;
- (2) The method of computing the outstanding unpaid indebtedness to which the rate is applied;
- (3) The amounts of other charges; and
- (4) The applicable repayment schedule.

(b) (1) The credit grantor shall notify each affected borrower of an amendment in the manner set forth in the agreement governing the plan and in compliance with the requirements of the federal Truth in Lending Act, and regulations promulgated thereunder. If the amendment has the effect of increasing the interest, finance charges, or other fees and charges to be paid by the borrower, including, but not limited to those enumerated in § 12-905 of this subtitle, [or altering the manner of their computation,] the credit grantor shall mail or deliver to the borrower, at least 25 days before the effective date of the amendment, a clear and conspicuous written notice which shall describe the amendment, including:

- (i) A clear statement comparing the original terms and the terms under the amended agreement; and
- (ii) Any other pertinent information required by the provisions of this section.

(2) If the amendment has the effect of increasing the interest, finance charges, or other charges to be paid by the borrower, the amendment shall become effective as provided in subsections (c) and (d) of this section.

(c) (1) Subject to the provisions of this paragraph, an amendment made under this section shall become effective as to a particular borrower on:

- (i) The first day of the billing cycle during which the effective date of the amendment occurs; or
- (ii) Any later date specified in the notice of amendment.

[(2) The credit grantor amending the agreement governing a revolving credit plan under this subsection shall send a second notice in addition to the one under subsection (b) of this section with the borrower's periodic statement