

SB0901/703922/1

BY: Senator Raskin

AMENDMENTS TO SENATE BILL 901, AS AMENDED

(First Reading File Bill)

AMENDMENT NO. 1

On page 1 of the bill, in line 3, after “Definitions” insert “and Terms”; in line 4, strike “altering” and substitute “clarifying”; strike beginning with “, to” in line 6 down through “loss” in line 8; in line 10, after the semicolon insert “authorizing a debt cancellation agreement to provide for a certain condition to cancellation of an outstanding balance or remaining loan balance;”; in line 19, strike the second “and” and substitute “, 12-609(b)(4),”; and in the same line, after “(l)” insert “, and 12-1005(c)”.

On page 1 of the Finance Committee Amendments (SB0901/877273/1), in line 1 of Amendment No. 1, strike “, under certain circumstances,”; in line 2, strike “or of certain collateral”; and strike beginning with “and” in line 3 down through “charges” in line 4.

AMENDMENT NO. 2

On pages 1 and 2 of the Finance Committee Amendments, strike Amendment Nos. 2 and 3 in their entirety.

On page 2 of the bill, strike beginning with “**OR**” in line 6 down through “**AGREEMENT**” in line 8; in line 11, after “delinquent” insert “**OR DEFERRED**”; in line 15, strike the brackets; strike beginning with “; **OR**” in line 17 down through “**AGREEMENT**” in line 19; after line 19, insert:

“12-609.

(b) (4) (I) A seller may contract for, charge for, receive, and finance the cost to the buyer of an optional debt cancellation agreement sold in connection with a

(Over)

motor vehicle, provided that the cost of the debt cancellation agreement is separately itemized in the financing agreement.

(II) A DEBT CANCELLATION AGREEMENT MAY PROVIDE, AS A CONDITION TO CANCELLATION OF THE OUTSTANDING BALANCE PAYABLE UNDER AN INSTALLMENT SALE AGREEMENT, THAT INSURANCE OTHERWISE PERMITTED UNDER THIS SUBTITLE BE MAINTAINED ON THE MOTOR VEHICLE THAT IS THE SUBJECT OF THE INSTALLMENT SALE AGREEMENT.”;

and strike beginning with “OR” in line 25 down through “AGREEMENT” in line 27.

On page 3 of the bill, in line 3, strike the brackets; strike beginning with “; OR” in line 5 down through “AGREEMENT” in line 7; and after line 7, insert:

“12-1005.

In addition to interest at a periodic percentage rate or rates permitted by §§ 12-1003 and 12-1004 of this subtitle, a credit grantor may charge and collect:

(c) (1) (I) The cost to the borrower of an optional debt cancellation agreement, provided that the cost of the debt cancellation agreement is separately itemized in the financing agreement.

[(2)] (II) This cost is in addition to the charges permitted under subsections (a), (b), and (d) of this section.

(2) A DEBT CANCELLATION AGREEMENT MAY PROVIDE, AS A CONDITION TO CANCELLATION OF THE REMAINING LOAN BALANCE PAYABLE UNDER AN AGREEMENT, NOTE, OR OTHER EVIDENCE OF A LOAN, THAT INSURANCE OTHERWISE PERMITTED UNDER THIS SUBTITLE BE MAINTAINED ON

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**THE COLLATERAL THAT IS THE SUBJECT OF THE AGREEMENT, NOTE, OR OTHER
EVIDENCE OF A LOAN.**