

repealed and re-enacted, with amendments to read as follows:

Article - Commercial Law

12-108.

(A) Except for a loan described in §12-103(d) or (e) of this subtitle, a lender may not charge a borrower or any other person any point or fraction of a point.

(B) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (A), A LENDER MAY CHARGE POINTS ON A MORTGAGE LOAN WHICH IS NOT INSURED OR GUARANTEED BY AN AGENCY OR INSTRUMENTALITY OF THE UNITED STATES GOVERNMENT IF

(1) THE LOAN IS ELIGIBLE FOR PURCHASE BY AN AGENCY OR INSTRUMENTALITY OF THE UNITED STATES GOVERNMENT, OR A SUBSIDIARY THEREOF, PURSUANT TO THE EMERGENCY HOME PURCHASE ASSISTANCE ACT OF 1974 (PL93-449) OR ANY AMENDMENT TO IT, AND IS TENDERED IN GOOD FAITH FOR PURCHASE PURSUANT TO A COMMITMENT OBTAINED BY THE LENDER FROM SUCH AN AGENCY, INSTRUMENTALITY, OR SUBSIDIARY; AND

(2) THE FEDERAL LAW, RULES, OR REGULATIONS UNDER WHICH THE AGENCY, INSTRUMENTALITY, OR SUBSIDIARY IS AUTHORIZED TO PURCHASE THE LOAN ALLOWS THE PAYMENT OF POINTS, AND THE POINTS CHARGED AND THE INTEREST RATE ON THE LOAN ARE NOT IN EXCESS OF THOSE ALLOWED UNDER THE FEDERAL PROGRAM.

SECTION ~~[[2]]~~ 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act is hereby declared to be an emergency measure and necessary for the immediate preservation of the public health and safety and having been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, the same shall take effect from the date of its passage.

SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, 1975.

Approved January 24, 1975.

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CHAPTER 2

(House Bill 287)