

~~(D) A TELECOMMUNICATIONS CARRIER MAY BE REQUIRED TO SHOW GOOD CAUSE FOR FAILING TO COMPLY WITH THE CODE OF CONDUCT UNDER SUBSECTION (B) OF THIS SECTION.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2002.

Approved May 16, 2002.

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## CHAPTER 561

### (House Bill 1193)

AN ACT concerning

#### **Closed End Credit Regulation – Credit Services Businesses**

FOR the purpose of prohibiting a credit services business, its employees, and certain independent contractors from assisting a consumer to obtain an extension of ~~closed end credit secured by personal property~~ credit at a rate of interest which, except for federal preemption of State law, would be prohibited under certain provisions of law governing ~~interest and usury, consumer loans, and closed end credit regulation~~; repealing a certain definition and making certain other conforming changes; and generally relating to regulation of ~~closed end~~ credit.

BY repealing and reenacting, with amendments,

Article – Commercial Law

Section 14–1902

Annotated Code of Maryland

(2000 Replacement Volume and 2001 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;