



Testimony offered on behalf of:  
MARYLAND MORTGAGE BANKERS & BROKERS ASSOCIATION, INC.

**IN SUPPORT, WITH AN AMENDMENT:**  
SB0054 – Occupational Licensing and Certification – Criminal History –  
Prohibited Disclosures and Predetermination Review Process

**Finance Committee**  
Hearing – 2/6/2024 at 1:00 pm

The members of the Maryland Mortgage Bankers and Brokers Association, Inc. (“MMBBA”) SUPPORT, with AMENDMENT, SENATE BILL 0054.

The MMBBA recognizes and supports the positive intention behind SB0054. The aspect of providing a second chance to Maryland residents with previous criminal records, enabling them to pursue licensure in various vocations, aligns with the principles of fairness and rehabilitation. But while this concept may be true for other types of licenses, it is not applicable to the same extent to mortgage loan originator licenses.

SB0054 is inconsistent with the requirements for a mortgage loan originator license as set forth in Maryland Code, Financial Institutions Article (“FI”), §11-605. That statute provides in part:

- (a) *The Commissioner may not issue a mortgage loan originator license unless the Commissioner makes, at a minimum, the following findings:*
- (1) *The applicant has never had a mortgage loan originator license revoked in any governmental jurisdiction.*
  - (2) *The applicant has not been convicted of, or pled guilty or nolo contendere to, a felony in a domestic, foreign, or military court:*
    - (i) *During the 7-year period immediately preceding the date of the application for licensing; or*
    - (ii) *At any time preceding the date of application, if the felony involved an act of fraud, dishonesty, a breach of trust, or money laundering.*

The provisions of FI §11-605 parallel the language of Section 1505 of the Federal Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (the SAFE Act), 12 U.S.C. Sec. 5101-5116, Title V of the Housing and Economic Recovery Act of 2008 (Pub. L. 110–289, 122 Stat. 2654, 12 U.S.C. 5101 et seq.) as amended by Title X of the

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Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) (Pub. L. No. 111-203, 124 Stat. 1376). See particularly 12 U.S.C. 5104.

The Maryland General Assembly and Congress have already determined what actions disqualify a person from obtaining a mortgage loan originator license. These legislative bodies have set high standards for this type of license, and we believe that these standards should be maintained so that mortgage loan originators will continue to merit the trust of the public.

For the reasons above, the Maryland Mortgage Bankers and Brokers Association, Inc., urges a FAVORABLE COMMITTEE REPORT, with as AMENDMENT on Senate Bill 0054, to exclude mortgage loan originator licenses from its coverage.

Respectfully submitted,

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