
By: Chairman, Commerce and Government Matters Committee (Departmental - Labor, Licensing and Regulation)

Introduced and read first time: February 9, 1996

Assigned to: Commerce and Government Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Commissioner of Consumer Credit - Out-of-State Examination Expenses - Special**
3 **Revolving Fund**

4 FOR the purpose of requiring certain licensees under the jurisdiction of the
5 Commissioner of Consumer Credit located outside the State of Maryland to pay the
6 reasonable travel and living expenses under certain circumstances; providing an
7 exemption from the requirement when a licensee furnishes all required
8 documentation necessary or appropriate to the examination or investigation at a
9 location within Maryland designated by the Commissioner; providing that the funds
10 collected by the Commissioner under this Act be placed in a special revolving fund
11 for the purpose of defraying the costs of examining and investigating licensees of the
12 Commissioner of Consumer Credit; and generally relating to costs of examinations
13 and investigations performed by the Commissioner of Consumer Credit.

14 BY adding to
15 Article - Financial Institutions
16 Section 11-104
17 Annotated Code of Maryland
18 (1992 Replacement Volume and 1995 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article - Financial Institutions
21 Section 11-104, 11-105, and 11-106
22 Annotated Code of Maryland
23 (1992 Replacement Volume and 1995 Supplement)

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

26 **Article - Financial Institutions**

27 11-104.

28 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
29 INDICATED.

2

1 (2) "EXAMINATION" MEANS AN EXAMINATION OR INVESTIGATION
2 PERFORMED BY THE COMMISSIONER, OR THE COMMISSIONER'S DESIGNEE, WHICH
3 IS REQUIRED OR AUTHORIZED UNDER THIS ARTICLE OR TITLE 12 OF THE
4 COMMERCIAL LAW ARTICLE.

5 (3) "LICENSEE" MEANS A PERSON LICENSED BY THE COMMISSIONER
6 UNDER THIS TITLE.

7 (4) "PERSON" INCLUDES AN INDIVIDUAL, CORPORATION, BUSINESS
8 TRUST, ESTATE, PARTNERSHIP, ASSOCIATION, TWO OR MORE PERSONS HAVING A
9 JOINT OR COMMON INTEREST, OR ANY OTHER LEGAL OR COMMERCIAL ENTITY.

10 (B) TRAVEL AND LIVING EXPENSES REASONABLY INCURRED BY THE
11 COMMISSIONER OR THE COMMISSIONER'S DESIGNATED EXAMINERS ARISING FROM
12 THE EXAMINATION OF A LICENSEE WHOSE PLACE OF BUSINESS BEING EXAMINED IS
13 LOCATED OUTSIDE THE GEOGRAPHICAL BOUNDARIES OF MARYLAND, SHALL BE
14 PAID BY THE ENTITY BEING EXAMINED.

15 (C) SUBSECTION (B) OF THIS SECTION DOES NOT APPLY IF THE LICENSEE
16 PROVIDES ALL DOCUMENTATION DEEMED BY THE COMMISSIONER TO BE
17 NECESSARY OR APPROPRIATE TO THE EXAMINATION, TO BE PHYSICALLY
18 PRODUCED WITHIN MARYLAND AT A LOCATION DESIGNATED BY THE
19 COMMISSIONER.

20 (D) ALL FUNDS COLLECTED UNDER THIS SECTION SHALL BE HELD BY THE
21 COMPTROLLER OF THE TREASURY IN A SPECIAL REVOLVING FUND, AND
22 DISBURSED FOR THE SOLE PURPOSE OF DEFRAYING THE COST OF EXAMINATIONS
23 REQUIRED OR AUTHORIZED BY THE COMMISSIONER.

24 [11-104.] 11-105.

25 (a) (1) The Commissioner may employ the staff, including investigative,
26 secretarial, and clerical employees, that is necessary for the efficient administration of the
27 office.

28 (2) The staff is entitled to the compensation provided in the State budget.

29 (b) Each employee of the Commissioner shall devote full time to that employee's
30 duties.

31 [11-105.] 11-106.

32 (a) The Commissioner exercises the powers and performs the duties of the office
33 subject to the statutory authority of the Secretary.

34 (b) Directors and officers of institutions licensed under Titles 11 and 12 of this
35 article shall develop and implement, by December 31, 1989, written:

36 (1) Real estate appraisal policies; and

37 (2) Procedures pertaining to the hiring and performance of real estate
38 appraisers.

3

1 (c) The procedures required under subsection (b)(2) of this section shall set forth
2 specific factors to be considered by the institution's directors and officers, including but
3 not limited to:

4 (1) Whether the appraiser is licensed or certified under the Business
5 Occupations and Professions Article; and

6 (2) The real estate appraiser's:

7 (i) Professional education; and

8 (ii) Experience in real estate appraising.

9 (d) Real estate appraisal policies and procedures shall be submitted by
10 institutions licensed under Titles 11 and 12 of this article to the Commissioner of
11 Consumer Credit for review and approval.

12 [11-106.] 11-107.

13 Subject to the evaluation and reestablishment provisions of the Program Evaluation
14 Act, the provisions of this subtitle that create the Office of the Commissioner of
15 Consumer Credit and relate to the duties and powers of the Commissioner are of no
16 effect and may not be enforced after July 1, 2002.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 July 1, 1996.