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**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

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Committee Report: Favorable  
House action: Adopted  
Read second time: March 5, 1996

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CHAPTER \_\_\_\_

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)

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

3 **Article - Financial Institutions**

4 11-104.

5 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
6 INDICATED.

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

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

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

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

21 (C) SUBSECTION (B) OF THIS SECTION DOES NOT APPLY IF THE LICENSEE  
22 PROVIDES ALL DOCUMENTATION DEEMED BY THE COMMISSIONER TO BE  
23 NECESSARY OR APPROPRIATE TO THE EXAMINATION, TO BE PHYSICALLY  
24 PRODUCED WITHIN MARYLAND AT A LOCATION DESIGNATED BY THE  
25 COMMISSIONER.

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

30 [11-104.] 11-105.

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

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

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

37 [11-105.] 11-106.

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

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

3 (1) Real estate appraisal policies; and

4 (2) Procedures pertaining to the hiring and performance of real estate  
5 appraisers.

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

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

11 (2) The real estate appraiser's:

12 (i) Professional education; and

13 (ii) Experience in real estate appraising.

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

17 [11-106.] 11-107.

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

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