

(PRE-FILED)

By: Chairman, Finance Committee (Departmental - Labor, Licensing and Regulation)

Requested: November 7, 1996

Introduced and read first time: January 8, 1997

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 21, 1997

CHAPTER _____

1 AN ACT concerning

2 **Financial Regulation - Deputy Commissioner - Banking Board**

3 FOR the purpose of ~~removing~~ altering certain qualification requirements of the Deputy
 4 Commissioner of Financial Regulation; revising the membership of the Banking
 5 Board; and generally relating to the Deputy Commissioner and the Banking Board.

6 BY repealing and reenacting, with amendments,
 7 Article - Financial Institutions
 8 Section 2-103 and 2-202
 9 Annotated Code of Maryland
 10 (1992 Replacement Volume and 1996 Supplement)

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

13 **Article - Financial Institutions**

14 2-103.

15 (a) With the approval of the Secretary of Labor, Licensing, and Regulation, the
 16 Commissioner shall appoint a Deputy Commissioner.

17 (b) The Deputy Commissioner serves at the pleasure of the Commissioner and is
 18 an employee of the Commissioner's office.

19 {(c) The Deputy Commissioner shall have at least 5 years of experience in state or
 20 national banking regulation or management, OR IN THE REGULATION OR
 21 MANAGEMENT OF THE BUSINESS OF MAKING LOANS, which may include service as a
 22 bank director.}

2

1 ~~{(d)}~~ ~~(C)~~ The Deputy Commissioner is entitled to the salary provided in the State
2 budget.

3 ~~{(e)}~~ ~~(D)~~ In addition to any other powers and duties set forth in this article, the
4 Deputy Commissioner has the powers and duties of the Commissioner:

5 (1) To the extent delegated by the Commissioner;

6 (2) If the office of the Commissioner is vacant; and

7 (3) If for any reason the Commissioner is unable to perform the duties of
8 the office.

9 2-202.

10 (a) The Banking Board consists of the following eight members:

11 (1) The State Comptroller; and

12 (2) Seven members appointed by the Governor, with the advice of the
13 Secretary of Labor, Licensing, and Regulation.

14 (b) (1) Of the seven appointed members:

15 [(i)] One shall represent the Baltimore Clearing House;

16 [(ii)] One shall represent the Associated Mutual Savings Banks of
17 Baltimore;

18 [(iii)] (I) [One] THREE shall represent the Maryland [State
19 Bankers'] BANKERS Association;

20 [(iv)] (II) One shall be an economist;

21 [(v)] (III) One shall be a certified public accountant; and

22 [(vi)] (IV) Two shall be public members.

23 (2) The Governor shall appoint the members under paragraph (1)(i)
24 [through (iii)] of this subsection from a list of qualified individuals submitted to the
25 Governor by the [organization to be represented] MARYLAND BANKERS
26 ASSOCIATION. The number of names on the list shall be AT LEAST three times the
27 number of vacancies.

28 (3) A member appointed under paragraph (1)[(iv)] (II) through [(vi)] (IV)
29 of this subsection may not be employed by any banking institution.

30 (c) (1) The term of an appointed member is 6 years.

31 (2) The terms of members are staggered as required by the terms provided
32 for members of the Board on July 1, 1981.

33 (3) At the end of a term, an appointed member continues to serve until a
34 successor is appointed and qualifies.

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1 (4) A member who is appointed after a term has begun serves only for the
2 rest of the term and until a successor is appointed and qualifies.

3 (d) A member of the Banking Board:

4 (1) May not receive compensation; but

5 (2) Is entitled to reimbursement for expenses under the Standard State
6 Travel Regulations, as provided in the State budget.

7 SECTION 2. AND BE IT FURTHER ENACTED, That except as otherwise
8 expressly provided in this Act, nothing in this Act affects the term of office of an
9 appointed member of any board or commission, and a person who is a member of such a
10 unit on the effective date of this Act shall remain a member of that board or commission,
11 as the case may be.

12 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 October 1, 1997.