

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

Senate Bill 114 (The President)
(Task Force to Study Bank Charter Modernization)

Finance

Financial Institutions - Bank Charter Modernization and Other Banking Law Reforms

This bill (1) consolidates laws relating to real estate appraisal policies; (2) eliminates the requirement on commercial banks to file a list of stockholders with the Commissioner of Financial Regulation; (3) eliminates the requirement on commercial banks to file a copy of a bank's most recently adopted federal Community Reinvestment Act (CRA) statement with the Commissioner while continuing to require banks to file the public portion of its CRA performance evaluation; (4) eliminates the requirement to file a copy of a trust company's common trust plan with the Commissioner; (5) eliminates the prohibition on commercial banks from carrying for more than 90 days a total of bills payable and rediscounts that exceeds the unimpaired capital and surplus of the bank; (6) allows banking institution directors to serve staggered terms; (7) increases the amount of real property and furnishings a banking institution may buy and hold relative to its paid-in capital and surplus; and (8) expands the scope of the "wild card" provision to allow the Commissioner greater power to approve State-chartered banking activities.

Fiscal Summary

State Effect: None. The bill's changes are primarily stylistic and procedural in nature and would not directly affect governmental finances. Expanding the scope of the "wild card" provision would give broader regulatory authority to the Division of Financial Regulation. However, any additional workload could be handled with existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Information Source: Department of Labor, Licensing, and Regulation

Fiscal Note History: First Reader - January 27, 1999

dmm/jr

Analysis by: Jo Ellan Jordan

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 946-5510

(301) 970-5510