

SENATE BILL 346

Unofficial Copy
II

2001 Regular Session
11r0642
CF 11r1946

By: **Chairman, Finance Committee**

Introduced and read first time: February 1, 2001

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Commissioner of Financial Regulation and the Banking Board - Sunset**
3 **Extension and Program Evaluation**

4 FOR the purpose of continuing the office of the Commissioner of Financial Regulation
5 and the Banking Board in accordance with the provisions of the Maryland
6 Program Evaluation Act (Sunset Law) by extending to a certain date the
7 termination provisions relating to the statutory and regulatory authority of the
8 Commissioner and Board; requiring the Commissioner to submit a certain
9 annual report to the Governor and General Assembly; requiring that an
10 evaluation of the Commissioner and Board and the statutes and regulations
11 that relate to them be performed on or before a certain date; requiring the
12 Commissioner and Board to submit a certain report to the General Assembly by
13 certain dates; and generally relating to the office of the Commissioner of
14 Financial Regulation and the Banking Board.

15 BY adding to
16 Article - Financial Institutions
17 Section 2-107
18 Annotated Code of Maryland
19 (1998 Replacement Volume and 2000 Supplement)

20 BY repealing and reenacting, with amendments,
21 Article - Financial Institutions
22 Section 2-401 and 2-402
23 Annotated Code of Maryland
24 (1998 Replacement Volume and 2000 Supplement)

25 BY repealing and reenacting, without amendments,
26 Article - State Government
27 Section 8-403(a)
28 Annotated Code of Maryland
29 (1999 Replacement Volume and 2000 Supplement)

1 BY repealing and reenacting, with amendments,
2 Article - State Government
3 Section 8-403(b)(8) and (26)
4 Annotated Code of Maryland
5 (1999 Replacement Volume and 2000 Supplement)

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

8 **Article - Financial Institutions**

9 2-107.

10 ON OR BEFORE DECEMBER 31 OF EACH YEAR, THE COMMISSIONER SHALL
11 SUBMIT TO THE GOVERNOR, AND AS PROVIDED UNDER § 2-1246 OF THE STATE
12 GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY, AN ANNUAL REPORT THAT
13 INCLUDES, AT A MINIMUM, THE FOLLOWING INFORMATION CONCERNING THE MOST
14 RECENTLY COMPLETED FISCAL YEAR ENDING JUNE 30:

15 (1) OPERATIONS OF THE OFFICE OF THE COMMISSIONER;

16 (2) AMENDMENTS PROPOSED BY THE COMMISSIONER REGARDING THE
17 LAWS THE COMMISSIONER ADMINISTERS;

18 (3) FAILURES OF LICENSED PERSONS AND STATE-CHARTERED
19 FINANCIAL INSTITUTIONS;

20 (4) A SUMMARY OF THE CAPITAL, ASSETS, MANAGEMENT, EARNINGS,
21 LIQUIDITY, AND SENSITIVITY RATINGS (CAMELS) OF STATE-CHARTERED FINANCIAL
22 INSTITUTIONS; AND

23 (5) A BREAKDOWN BY LICENSE CATEGORY OF THE NUMBER OF
24 PENALTIES ASSESSED AND INSTANCES OF CONSUMER RECOVERY.

25 2-401.

26 Subject to the evaluation and reestablishment provisions of the Program
27 Evaluation Act, the provisions of this article that create the office of the
28 Commissioner of Financial Regulation or relate to the powers and duties of the
29 Commissioner and any regulations adopted under these provisions shall terminate
30 and be of no effect after July 1, [2002] 2012.

31 2-402.

32 Subject to the evaluation and reestablishment provisions of the Program
33 Evaluation Act, the following provisions of this article that create or relate to the
34 Banking Board and any regulations adopted under these provisions shall terminate
35 and be of no effect after July 1, [2002] 2012:

- 1 (1) Title 2, Subtitle 2 ("Banking Board");
- 2 (2) § 3-607 ("Reserves"); and
- 3 (3) § 5-801 ("Removal of director or officer for unsafe or unsound
4 practices").

5

Article - State Government

6 8-403.

7 (a) On or before December 15 of the 2nd year before the evaluation date of a
8 governmental activity or unit, the Legislative Policy Committee, based on a
9 preliminary evaluation, may waive as unnecessary the evaluation required under this
10 section.

11 (b) Except as otherwise provided in subsection (a) of this section, on or before
12 the evaluation date for the following governmental activities or units, an evaluation
13 shall be made of the following governmental activities or units and the statutes and
14 regulations that relate to the governmental activities or units:

15 (8) Banking Board (§ 2-201 of the Financial Institutions Article: July 1,
16 [2001] 2011);

17 (26) Financial Regulation, Office of the Commissioner of (§ 2-101 of the
18 Financial Institutions Article: July 1, [2001] 2011);

19 SECTION 2. AND BE IT FURTHER ENACTED, That the Commissioner of
20 Financial Regulation and the Banking Board shall report to the General Assembly on
21 or before October 1, 2001 and on or before October 1, 2002, in accordance with §
22 2-1246 of the State Government Article, on the implementation status of the
23 recommendations made by the Department of Legislative Services in the
24 Department's report, "Sunset Review: Evaluation of the Office of the Commissioner of
25 Financial Regulation and Banking Board", dated October, 2000.

26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take
27 effect July 1, 2001.