
By: **Delegates Rudolph, Hecht, and James**
Introduced and read first time: February 18, 2002
Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Financial Institutions - Maryland Banking Institutions Regulation Fund**

3 FOR the purpose of establishing the Maryland Banking Institutions Regulation Fund
4 as a special, nonlapsing fund; requiring the Commissioner of Financial
5 Regulation to administer the Fund; requiring the Commissioner to pay certain
6 fees and assessments to the Comptroller; requiring the Comptroller to distribute
7 certain money to the Fund; providing that the Fund consists of certain fees,
8 assessments, and money; specifying the purpose for which the Fund may be
9 used; requiring the Treasurer to invest the money of the Fund in a certain
10 manner; requiring investment earnings of the Fund to be credited to a certain
11 fund; providing that expenditures from the Fund may be made only in
12 accordance with the State budget; clarifying that money expended from the
13 Fund for certain purposes is supplemental to funding that otherwise would be
14 appropriated for those purposes; and generally relating to the Maryland
15 Banking Institutions Regulation Fund.

16 BY repealing and reenacting, without amendments,
17 Article - Financial Institutions
18 Section 2-109
19 Annotated Code of Maryland
20 (1998 Replacement Volume and 2001 Supplement)

21 BY adding to
22 Article - Financial Institutions
23 Section 2-109.1
24 Annotated Code of Maryland
25 (1998 Replacement Volume and 2001 Supplement)

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

1 **Article - Financial Institutions**

2 2-109.

3 Except as otherwise provided by law, the Commissioner shall pay all money
4 collected by the Commissioner under this article into the General Fund of this State.
5 2-109.1.

6 (A) THERE IS A MARYLAND BANKING INSTITUTIONS REGULATION FUND.

7 (B) THE COMMISSIONER SHALL ADMINISTER THE FUND.

8 (C) (1) THE COMMISSIONER SHALL PAY ALL FEES AND ASSESSMENTS
9 COLLECTED FROM BANKING INSTITUTIONS UNDER THIS ARTICLE TO THE
10 COMPTROLLER.

11 (2) THE COMPTROLLER SHALL DISTRIBUTE ALL MONEY RECEIVED
12 FROM THE COMMISSIONER TO THE FUND.

13 (D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT
14 TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

15 (2) THE TREASURER SHALL HOLD THE FUND SEPARATELY AND THE
16 COMPTROLLER SHALL ACCOUNT FOR THE FUND.

17 (E) THE FUND CONSISTS OF:

18 (1) FEES AND ASSESSMENTS COLLECTED FROM BANKING
19 INSTITUTIONS BY THE COMMISSIONER UNDER THIS ARTICLE;

20 (2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND; AND

21 (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE
22 BENEFIT OF THE FUND.

23 (F) THE FUND MAY BE USED ONLY TO PAY THE COSTS AND EXPENSES
24 INCURRED BY THE COMMISSIONER IN FULFILLING THE COMMISSIONER'S DUTIES,
25 UNDER STATUTE AND REGULATION, TO SUPERVISE AND REGULATE BANKING
26 INSTITUTIONS.

27 (G) (1) THE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE
28 SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

29 (2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE CREDITED TO
30 THE GENERAL FUND OF THE STATE.

31 (H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE
32 WITH THE STATE BUDGET.

1 (I) MONEY EXPENDED FROM THE FUND FOR THE PURPOSE DESCRIBED IN
2 SUBSECTION (F) OF THIS SECTION IS SUPPLEMENTAL TO AND IS NOT INTENDED TO
3 TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED FOR
4 THOSE PURPOSES.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 July 1, 2002.