
By: **Chairman, Economic Matters Committee (By Request - Departmental - Labor, Licensing and Regulation)**

Introduced and read first time: January 23, 2006

Assigned to: Economic Matters

Committee Report: Favorable

House action: Adopted

Read second time: February 21, 2006

CHAPTER _____

1 AN ACT concerning

2 **Financial Institutions - Consumer Credit - Licensee Examinations**

3 FOR the purpose of providing that the Commissioner of Financial Regulation, in the
4 Commissioner's sole discretion, shall determine whether a licensee under
5 certain consumer credit laws may produce certain documentation at a location
6 within the State instead of being examined at the licensee's principal place of
7 business; repealing certain provisions of law that require certain funds to be
8 held in a special revolving fund and disbursed for a certain purpose; making
9 stylistic changes; and generally relating to the examination of licensees under
10 consumer credit laws.

11 BY repealing and reenacting, with amendments,
12 Article - Financial Institutions
13 Section 11-101
14 Annotated Code of Maryland
15 (2003 Replacement Volume and 2005 Supplement)

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

18 **Article - Financial Institutions**

19 11-101.

20 (a) (1) In this section the following words have the meanings indicated.

1 (2) "Examination" means an examination or investigation performed by
2 the Commissioner, or the Commissioner's designee, which is required or authorized
3 under this article or Title 12 of the Commercial Law Article.

4 (3) "Licensee" means a person licensed by the Commissioner under this
5 title.

6 (4) "Person" includes an individual, corporation, business trust, estate,
7 partnership, association, two or more persons having a joint or common interest, or
8 any other legal or commercial entity.

9 (b) Travel and living expenses reasonably incurred by the Commissioner or
10 the Commissioner's designated examiners arising from the examination of a licensee
11 whose place of business being examined is located outside the geographical
12 boundaries of Maryland, shall be paid by the entity being examined.

13 (c) (1) Subsection (b) of this section does not apply if the licensee [provides]
14 PHYSICALLY PRODUCES all documentation deemed by the Commissioner to be
15 necessary or appropriate to the examination[, to be physically produced] within
16 Maryland at a location designated by the Commissioner.

17 (2) THE PRODUCTION OF DOCUMENTATION UNDER THIS SUBSECTION,
18 INSTEAD OF AN ON-SITE EXAMINATION, SHALL BE MADE AT THE COMMISSIONER'S
19 SOLE DISCRETION.

20 [(d) (1) All funds collected under this section shall be held by the Comptroller
21 of the Treasury in a special revolving fund, and disbursed for the sole purpose of
22 defraying the cost of examinations required or authorized by the Commissioner.

23 (2) Moneys may be expended from the fund only if an appropriation is
24 included in the annual budget bill.]

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
26 effect October 1, 2006.