

home states to other states in which they operate, even if those other states have more stringent laws.

Background: In 2005, a nationally chartered bank and its operating subsidiary successfully sued the Commissioner of Financial Regulation to enjoin enforcement of Maryland's consumer protection laws against the operating subsidiary.

The U.S. Supreme Court has taken up the issue of federal preemption of state-chartered operating subsidiaries in *Watters v. Wachovia Bank*, Case No. 05-1342. The court heard oral arguments in the case on November 29, 2006, but it has not yet rendered a decision in the case.

Additional Information

Prior Introductions: None.

Cross File: SJ 9 (Senator Forehand) (Chair, Joint Committee on Federal Relations) – Finance.

Information Source(s): Department of Labor, Licensing, and Regulation; Department of Legislative Services

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