

HOUSE BILL 247

I1, C2, C4

7lr0117

By: **Chair, Economic Matters Committee (By Request – Departmental – Maryland Insurance Administration)**

Introduced and read first time: January 23, 2017

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Commissioner of Financial Regulation and State Collection Agency Licensing**
3 **Board – Reorganization and Miscellaneous Revisions**

4 FOR the purpose of reorganizing the Commissioner of Financial Regulation and the State
5 Collection Agency Licensing Board as divisions of the Maryland Insurance
6 Administration instead of units in the Department of Labor, Licensing, and
7 Regulation; providing that the Board is in the Financial Regulation Division of the
8 Administration; requiring the Board to delegate the processing of license
9 applications and license renewal applications under a certain provision of law to the
10 Division; altering the actions the Board may take under certain circumstances;
11 altering the circumstances under which the Board may issue certain orders; altering
12 certain penalties the Board may impose; requiring the Commissioner of the
13 Financial Regulation Division to refer a certain complaint and certain investigation
14 results to the Board under certain circumstances; providing that the Board exercises
15 its powers, duties, and functions subject to the authority of the Maryland Insurance
16 Commissioner instead of the Secretary of Labor, Licensing, and Regulation;
17 requiring the Board, on or before a certain date each year, to provide to the
18 Department of Assessments and Taxation certain information for a certain purpose;
19 authorizing the Board, instead of the Secretary, to determine that certain licenses
20 shall expire on a staggered basis; altering a certain filing requirement for certain
21 trustees; establishing the Financial Regulation Division in the Administration;
22 providing that the Commissioner of the Division is appointed by the Insurance
23 Commissioner, instead of the Secretary, and serves at the pleasure of the Insurance
24 Commissioner, instead of the Secretary; providing that the Commissioner of the
25 Division is in a certain service of the State Personnel Management System; providing
26 that the Deputy Commissioner of the Financial Regulation Division is appointed by
27 the Commissioner of the Division, with the approval of the Insurance Commissioner,
28 is an employee of the Administration, and is in a certain service of the State
29 Personnel Management System; providing for the setting of the compensation of
30 certain employees in the Division; providing that certain employees in the Division

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 are in a certain service or are special appointments in the State Personnel
2 Management System and serve at the pleasure of the Commissioner of the Division;
3 providing that the Commissioner of the Division is the appointing authority for
4 certain employees; altering the process for applying for a certain criminal history
5 records check; providing that the Commissioner of the Division exercises certain
6 powers and performs certain duties subject to the authority of the Insurance
7 Commissioner instead of the Secretary; substituting certain references to employees
8 of the Division for references to employees of the office of the Commissioner of the
9 Division; requiring an order or notice of the Commissioner of the Division to be in
10 writing and signed by a certain individual; repealing certain references to the
11 Secretary and the Department made obsolete by this Act; requiring notice of a
12 certain hearing to be given and the hearing to be held in accordance with certain
13 provisions of law; authorizing the Commissioner of the Division, instead of the
14 Secretary, to determine that certain licenses shall expire on a staggered basis;
15 repealing a certain filing requirement, and the requirement to adopt certain
16 regulations, relating to certain currency transactions of certain financial
17 institutions; excluding the Board, the Division, and the Commissioner of the Division
18 from the scope of certain insurance laws; establishing certain limitations on certain
19 authority of the Insurance Commissioner; requiring the Commissioner of the
20 Division to maintain a certain registry; requiring certain registrations to be in the
21 form the Commissioner of the Division, instead of the Department, requires;
22 requiring the Commissioner of the Division, instead of the Department, to
23 administer a certain fund; altering the purpose of a certain fund; defining certain
24 terms; altering and repealing certain definitions; making certain conforming,
25 clarifying, and stylistic changes; providing for the transfer of certain appropriations,
26 funds, and other items to the Administration on a certain date; requiring certain
27 funding to be provided by the Administration; providing that certain laws,
28 regulations, and other items shall continue under and, as appropriate, be legal and
29 binding on the Administration until certain events occur; providing that certain
30 persons that are licensed or registered by the Board or the Commissioner of
31 Financial Regulation on a certain date are considered for all purposes to be licensed
32 or registered on and after a certain date, for a certain period of time; requiring
33 certain employees transferred to the Administration to be transferred without
34 diminution of certain rights, benefits, or status; providing for the effect of certain
35 provisions of this Act; requiring the publisher of the Annotated Code, in consultation
36 with and subject to the approval of the Department of Legislative Services, to correct
37 any cross-references or terminology rendered incorrect by this Act and to describe
38 any corrections made in an editor's note following the section affected; and generally
39 relating to the State Collection Agency Licensing Board, the Commissioner of
40 Financial Regulation, and the Maryland Insurance Administration.

41 BY repealing and reenacting, with amendments,

42 Article – Business Regulation

43 Section 1–206, 1–207, 1–209, 2–108(a), 7–201, 7–204, 7–205, 7–207, 7–303, and 7–306

44 Annotated Code of Maryland

45 (2015 Replacement Volume and 2016 Supplement)

- 1 BY repealing and reenacting, with amendments,
2 Article – Estates and Trusts
3 Section 14.5–708(g)
4 Annotated Code of Maryland
5 (2011 Replacement Volume and 2016 Supplement)
- 6 BY repealing and reenacting, with amendments,
7 Article – Financial Institutions
8 Section 1–101, 2–101, 2–102 through 2–105, 2–111 through 2–113, 2–401, 3–212(d),
9 3–704, 4–701(f), 4–802(f), 4–907(d), 5–801, 5–802, 6–713, 6–907, 6–908(a),
10 10–120(c), 11–209(e), 11–409(c), 12–802 through 12–804, 12–805(a), and
11 12–806
12 Annotated Code of Maryland
13 (2011 Replacement Volume and 2016 Supplement)
- 14 BY adding to
15 Article – Insurance
16 Section 1–202(c) and 2–102.1
17 Annotated Code of Maryland
18 (2011 Replacement Volume and 2016 Supplement)
- 19 BY repealing and reenacting, with amendments,
20 Article – Insurance
21 Section 2–103(b) and 2–105(b)
22 Annotated Code of Maryland
23 (2011 Replacement Volume and 2016 Supplement)
- 24 BY repealing and reenacting, with amendments,
25 Article – Real Property
26 Section 14–126.1
27 Annotated Code of Maryland
28 (2015 Replacement Volume and 2016 Supplement)
- 29 BY repealing and reenacting, with amendments,
30 Article – State Government
31 Section 8–403(b)(21)
32 Annotated Code of Maryland
33 (2014 Replacement Volume and 2016 Supplement)
- 34 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
35 That the Laws of Maryland read as follows:

36 **Article – Business Regulation**

37 1–206.

1 (a) A person who must have a license issued by the Department **OR THE STATE**
2 **COLLECTION AGENCY LICENSING BOARD** under this article but does not get the license
3 on time shall pay, in addition to the required license fee, a late fee.

4 (b) The late fee shall be the sum of:

5 (1) up to 20% of the required license fee for the calendar month following
6 the calendar month when the required license fee is due; and

7 (2) up to 4% of the required license fee for each calendar month or part of
8 a month after that.

9 1-207.

10 (a) **[By] ON OR BEFORE** August 31 of each year, the Department shall provide
11 to the Department of Assessments and Taxation a list of the following persons issued
12 licenses during the previous fiscal year, to assist the Department of Assessments and
13 Taxation in identifying new businesses within the State:

14 (1) managers and promoters, licensed under Title 4 of this article;

15 (2) **[collection agencies, licensed under Title 7 of this article;**

16 (3) home improvement contractors and subcontractors, licensed under
17 Title 8 of this article;

18 **[(4)] (3)** employment agencies, licensed under Title 9 of this article;

19 **[(5)] (4)** heating, ventilation, air-conditioning, and refrigeration
20 contractors with master licenses and master restricted licenses, licensed under Title 9A of
21 this article;

22 **[(6)] (5)** owners and trainers, licensed under Title 11 of this article; and

23 **[(7)] (6)** secondhand precious metal object dealers and pawnbrokers,
24 licensed under Title 12 of this article.

25 (b) The list provided under this section shall:

26 (1) be provided free of charge; and

27 (2) include, for each person on the list:

28 (i) the name and mailing address of the person; and

1 (ii) the federal tax identification number of the person or, if the
2 person does not have a federal tax identification number, the Social Security number of the
3 person.

4 1–209.

5 (a) (1) If payment of the fee for the issuance or renewal of a license, issued by
6 the Department [or], by a unit within the Department, **OR BY THE STATE COLLECTION**
7 **AGENCY LICENSING BOARD**, is made by a check or other negotiable instrument that is
8 dishonored, the license for which the fee was paid shall be suspended by operation of law.

9 (2) Except as provided in subsections (b) and (c) of this section, the
10 suspension is effective beginning on the tenth business day after the day on which the
11 notice is sent in accordance with subsection (b) of this section until the date that payment
12 of the fee, and any late charge provided for in this article, has been made.

13 (b) (1) When the Department [or], a unit within the Department, **OR THE**
14 **STATE COLLECTION AGENCY LICENSING BOARD** receives notice that a check or other
15 negotiable instrument, given by an applicant in payment of a license issuance or renewal
16 fee, has been dishonored, it shall inform the applicant by regular mail sent to the
17 applicant's last known business address, that the license will be suspended by operation of
18 law if within 10 business days after the date of the notice the applicant fails to make
19 payment of the fee, and any late charge, or fails to present evidence to the Department [or],
20 unit **WITHIN THE DEPARTMENT, OR STATE COLLECTION AGENCY LICENSING**
21 **BOARD** that the notice of dishonor was in error.

22 (2) An applicant shall be given a prompt opportunity to make payment of
23 the fee, and any late charge, or to present evidence to the Department [or], unit **WITHIN**
24 **THE DEPARTMENT, OR STATE COLLECTION AGENCY LICENSING BOARD** that the
25 notice of dishonor was in error.

26 (c) If a license is suspended under subsection (a) of this section, the license shall
27 be reinstated effective the date the license was suspended if within 5 business days from
28 the date of the suspension the applicant:

29 (1) pays the fee and late charge; or

30 (2) presents evidence to the Department [or], the unit **WITHIN THE**
31 **DEPARTMENT, OR THE STATE COLLECTION AGENCY LICENSING BOARD** that the
32 notice of dishonor was in error.

33 (d) Suspension of a license under this section may not affect any otherwise valid
34 claim under any guaranty fund made by a person who dealt in good faith with a licensee,
35 without knowledge of the suspension.

36 2–108.

1 (a) The following units are in the Department:

2 (1) the Division of Labor and Industry.

3 (2) the Division of Employment and Training.

4 (3) [the Commissioner of Financial Regulation.

5 (4)] the State Board of Architects.

6 [(5) (4) the State Athletic Commission.

7 [(6) (5) the State Board of Barbers.

8 [(7) (6) the Board of Boiler Rules.

9 [(8) the State Collection Agency Licensing Board.]

10 [(9) (7) the State Board of Cosmetologists.

11 [(10) (8) the State Board of Master Electricians.

12 [(11) (9) the State Board of Stationary Engineers.

13 [(12) (10) the State Board for Professional Engineers.

14 [(13) (11) the State Board of Foresters.

15 [(14) (12) the State Board of Heating, Ventilation, Air Conditioning and
16 Refrigeration Contractors.

17 [(15) (13) the Maryland Home Improvement Commission.

18 [(16) (14) the State Board of Certified Interior Designers.

19 [(17) (15) the State Board of Examiners of Landscape Architects.

20 [(18) (16) the State Board for Professional Land Surveyors.

21 [(19) (17) the State Board of Pilots.

22 [(20) (18) the State Board of Plumbing.

23 [(21) (19) the State Board of Public Accountancy.

1 [(22)] **(20)** the State Board of Individual Tax Preparers.

2 [(23)] **(21)** the State Racing Commission.

3 [(24)] **(22)** the State Real Estate Commission.

4 [(25)] **(23)** the State Commission of Real Estate Appraisers, Appraisal
5 Management Companies, and Home Inspectors.

6 [(26)] **(24)** the Real Estate Hearing Board.

7 [(27)] **(25)** the State of Maryland Deposit Insurance Fund Corporation.

8 [(28)] **(26)** the Maryland Jockey Injury Compensation Fund, Inc.

9 [(29)] **(27)** the State Amusement Ride Safety Advisory Board.

10 [(30)] **(28)** the Occupational Safety and Health Advisory Board.

11 [(31)] **(29)** the Maryland–Bred Race Fund Advisory Committee.

12 [(32)] **(30)** the Maryland Standardbred Race Fund Advisory Committee.

13 [(33)] **(31)** the Advisory Council on Prevailing Wage Rates.

14 7–201.

15 There is a State Collection Agency Licensing Board in the [Office of the
16 Commissioner of] Financial Regulation [in the Department] **DIVISION OF THE**
17 **MARYLAND INSURANCE ADMINISTRATION.**

18 7–204.

19 (a) The Board shall set the times and places of its meetings.

20 (b) Each member of the Board is entitled to reimbursement for expenses under
21 the Standard State Travel Regulations, as provided in the State budget.

22 (c) The Board [may employ a staff in accordance with the State budget] **SHALL**
23 **DELEGATE THE PROCESSING OF LICENSE APPLICATIONS AND LICENSE RENEWAL**
24 **APPLICATIONS UNDER § 7–302 OF THIS TITLE TO THE FINANCIAL REGULATION**
25 **DIVISION.**

26 7–205.

1 (a) [To carry out this title, the Board may, subject] **SUBJECT** to § 7–103(b) of this
2 title, **ON RECEIPT OF A WRITTEN COMPLAINT, THE BOARD MAY:**

3 [(1) receive a written complaint and hold a hearing on an alleged violation
4 by a collection agency of the Maryland Consumer Debt Collection Act or this title;]

5 **(1) DISMISS THE COMPLAINT;**

6 (2) mediate a dispute between a consumer and a collection agency and
7 suggest monetary compensation of the consumer in an amount agreeable to the consumer
8 and collection agency or other appropriate resolution or both; and

9 **(3) REFER THE COMPLAINT TO THE COMMISSIONER OF THE**
10 **FINANCIAL REGULATION DIVISION.**

11 **(B) SUBJECT TO THE HEARING PROVISIONS OF § 7–309 OF THIS TITLE, IF**
12 **THE BOARD DETERMINES THAT A PERSON HAS ENGAGED IN A PRACTICE**
13 **CONSTITUTING A VIOLATION OF LAW, THE BOARD MAY ISSUE AN ORDER:**

14 [(3) issue orders:]

15 [(i) (1) to cease and desist from the violation and any further
16 similar violations; [or]

17 [(ii) (2) [requiring] **TO REQUIRE** the violator to take affirmative
18 action to correct the violation;

19 **(3) TO SUSPEND OR REVOKE THE LICENSE OF THE VIOLATOR[.]; AND**

20 [(b) (4) [If] **IF** a violator fails to comply with a lawful order issued by the Board,
21 [the Board may] **TO** impose a penalty of up to [\$500] **\$1,000** for [each] **A FIRST** violation
22 cited in the order[, not to exceed] **AND A PENALTY OF UP TO \$5,000**[, from which the
23 violator failed to cease and desist or for which the violator failed to take affirmative action
24 to correct, as ordered by the Board] **FOR EACH SUBSEQUENT VIOLATION.**

25 **(C) AFTER COMPLETION OF THE INVESTIGATION OF A COMPLAINT**
26 **REFERRED TO THE COMMISSIONER OF THE FINANCIAL REGULATION DIVISION**
27 **UNDER SUBSECTION (A)(3) OF THIS SECTION, THE COMMISSIONER SHALL REFER**
28 **THE COMPLAINT AND INVESTIGATION RESULTS BACK TO THE BOARD.**

29 [(c) (D) In determining the amount of any penalty to be imposed under
30 subsection [(b)] **(B)(4)** of this section, the Board shall consider:

- 1 (1) the seriousness of the violation;
- 2 (2) the good faith of the violator;
- 3 (3) the violator's history of previous violations;
- 4 (4) the deleterious effect of the violation on the public and the collection
5 industry; and
- 6 (5) any other factors relevant to the determination of the financial penalty.

7 7-207.

8 The Board exercises its powers, duties, and functions subject to the authority of the
9 [Secretary] **MARYLAND INSURANCE COMMISSIONER.**

10 7-303.

11 (a) Within 60 days after an applicant submits an application for a license and
12 pays the application fee, the Board shall approve or deny the application.

13 (b) To qualify for a license, an applicant shall satisfy the Board that the applicant
14 is of good moral character and has sufficient financial responsibility, business experience,
15 and general fitness to:

- 16 (1) engage in business as a collection agency;
- 17 (2) warrant the belief that the business will be conducted lawfully,
18 honestly, fairly, and efficiently; and
- 19 (3) command the confidence of the public.

20 **(C) (1) ON OR BEFORE AUGUST 31 EACH YEAR, THE BOARD SHALL**
21 **PROVIDE TO THE DEPARTMENT OF ASSESSMENTS AND TAXATION A LIST OF**
22 **COLLECTION AGENCIES ISSUED LICENSES UNDER THIS SUBTITLE DURING THE**
23 **PREVIOUS FISCAL YEAR, TO ASSIST THE DEPARTMENT OF ASSESSMENTS AND**
24 **TAXATION IN IDENTIFYING NEW BUSINESSES IN THE STATE.**

25 **(2) THE LIST PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION**
26 **SHALL:**

27 **(I) BE PROVIDED FREE OF CHARGE; AND**

28 **(II) INCLUDE, FOR EACH PERSON ON THE LIST:**

1 (ii) A member of the Maryland Bar.

2 (2) A trustee shall file a schedule of rates under this subsection as follows:

3 (i) For [a] **ALL TRUSTEES, INCLUDING** savings and loan
4 [association] **ASSOCIATIONS**, [with the State Director of the Division of Savings and Loan
5 Associations;

6 (ii) For all other trustees, including] attorneys, and State chartered
7 and national banks, with the Commissioner of Financial Regulation; and

8 [(iii)] **(II)** For a trustee administering an estate under the
9 jurisdiction of a court, in addition to the filing described in item (i) or (ii) of this paragraph,
10 with the trust clerk of the court.

11 (3) In a trust involving multiple trustees in which more than one of the
12 trustees may be entitled to file a schedule of increased rates, the controlling schedule will
13 be the schedule filed by the trustee having custody of the assets and maintaining records
14 of the trust.

15 (4) (i) On the filing by a trustee of a schedule of increased rates under
16 this subsection, the trustee shall give notice to the qualified beneficiaries of each affected
17 trust.

18 (ii) The notice required under this paragraph shall be delivered to
19 the qualified beneficiaries personally or sent to the qualified beneficiaries at the last known
20 address of the qualified beneficiaries by certified mail, postage prepaid, return receipt
21 requested.

22 (iii) A qualified beneficiary of a trust that objects to the schedule of
23 rates to be charged to that trust, after notifying the trustee of the objection, may petition
24 the appropriate circuit court to review the reasonableness of the rates to be charged.

25 (iv) The notice required by this paragraph shall include a clear
26 statement of the rights and procedures available to qualified beneficiaries under this
27 subsection.

28 (v) If the court finds that the rates in the schedule are unreasonable
29 for the current fiscal year of the particular trust, the commissions of the trustee for that
30 trust for that fiscal year shall be limited to the rates charged that trust during the previous
31 fiscal year.

32 (5) If a trustee does not file a schedule of rates with the appropriate agency
33 under paragraph (2)(i) or (ii) of this subsection and does not notify qualified beneficiaries
34 as provided in paragraph (4) of this subsection, the trustee is limited to charging the rates
35 set forth in subsections (b) and (c) of this section.

Article – Financial Institutions

1-101.

(a) In this article, unless the context clearly requires otherwise, the following words have the meanings indicated.

(b) “Address” means post office address, including, if applicable, street and number, municipal area or county, state, and, if outside of the United States, country.

(c) “Any state” means:

(1) Any state, possession, or territory of the United States;

(2) The District of Columbia; or

(3) The Commonwealth of Puerto Rico.

(d) “Banking institution” means an institution that is incorporated under the laws of this State as a State bank, trust company, or savings bank.

(e) “Charter” has the meaning stated in § 1–101 of the Corporations and Associations Article.

(f) “Commercial bank” means an institution that is incorporated under the laws of this State as a State bank or trust company.

(g) “Commissioner” means the Commissioner of **THE** Financial Regulation [in the Department of Labor, Licensing, and Regulation] **DIVISION**.

(h) “County” means a county of this State and, unless otherwise indicated, Baltimore City.

(i) “Credit union” means a credit union that is incorporated under the laws of this State as a credit union.

(j) “Financial institution” means any financial institution of the type supervised under this article, whether or not State-chartered.

(K) “FINANCIAL REGULATION DIVISION” MEANS THE DIVISION OF THE MARYLAND INSURANCE ADMINISTRATION ESTABLISHED UNDER § 2–101 OF THIS ARTICLE.

[(k)] (L) (1) “Foreign bank” means any financial institution or other institution that engages in banking activities that are usual in connection with the business of banking in the nations in which the institution is organized or operates.

1 (2) “Foreign bank” does not include a bank organized under the laws of any
2 state or a national banking association that has its headquarters in any state.

3 [(l)] (M) “Includes” or “including” means includes or including by way of
4 illustration and not by way of limitation.

5 (N) **“INSURANCE COMMISSIONER” MEANS THE MARYLAND INSURANCE**
6 **COMMISSIONER.**

7 [(m)] (O) “Mail” means to deposit in the United States mail, postage prepaid.

8 [(n)] (P) “Mortgage” includes a deed of trust that secures a debt or the
9 performance of an obligation.

10 [(o)] (Q) “Municipal area” means a municipal corporation or an unincorporated
11 city, town, or village.

12 [(p)] (R) “National banking association” means an institution that is
13 incorporated under federal law as a bank.

14 [(q)] (S) “Nationwide Mortgage Licensing System and Registry” means a
15 multistate uniform licensing system developed and maintained by the Conference of State
16 Bank Supervisors, or by a subsidiary or an affiliate of the Conference of State Bank
17 Supervisors, that may be used for the licensing of persons required to be licensed under
18 this article.

19 [(r)] (T) “Other–state bank” means a bank chartered and primarily regulated by
20 another state.

21 [(s)] (U) “Other–state credit union” means a credit union chartered and
22 primarily regulated by another state.

23 [(t)] (V) “Person” means an individual, receiver, trustee, guardian, personal
24 representative, fiduciary, or representative of any kind and any partnership, firm,
25 association, corporation, or other entity.

26 [(u)] (W) “Political subdivision” means:

27 (1) A county or municipal corporation of this State; and

28 (2) Unless the context requires otherwise, a special taxing district of this
29 State.

30 [(v)] (X) “Real property” includes any interest in real property.

1 2-101.

2 There is a [Commissioner of] Financial Regulation **DIVISION** in the [Department of
3 Labor, Licensing, and Regulation] **MARYLAND INSURANCE ADMINISTRATION**.

4 2-102.

5 (a) The Commissioner is appointed by the [Secretary of Labor, Licensing, and
6 Regulation] **INSURANCE COMMISSIONER** with the approval of the Governor and the
7 advice and consent of the Senate, **AND IS AN EMPLOYEE OF THE MARYLAND**
8 **INSURANCE ADMINISTRATION**.

9 (b) The Commissioner serves at the pleasure of the [Secretary of Labor,
10 Licensing, and Regulation] **INSURANCE COMMISSIONER**.

11 (c) The Commissioner shall have at least 5 years of experience in state or national
12 banking regulation or management, which may include service as a bank director.

13 (d) The Commissioner is [entitled to the salary provided] in the [State budget]
14 **MANAGEMENT SERVICE OF THE STATE PERSONNEL MANAGEMENT SYSTEM**.

15 2-103.

16 (a) With the approval of the [Secretary of Labor, Licensing, and Regulation]
17 **INSURANCE COMMISSIONER**, the Commissioner shall appoint a Deputy Commissioner.

18 (b) The Deputy Commissioner serves at the pleasure of the Commissioner and is
19 an employee of the [Commissioner's office] **MARYLAND INSURANCE ADMINISTRATION**.

20 (c) The Deputy Commissioner shall have at least 5 years of experience in:

21 (1) State or national banking regulation or management; or

22 (2) The regulation or management of the business of making loans by
23 persons of the type regulated by this article.

24 (d) The Deputy Commissioner is [entitled to the salary provided] in the [State
25 budget] **MANAGEMENT SERVICE OF THE STATE PERSONNEL MANAGEMENT SYSTEM**.

26 (e) In addition to any other powers and duties set forth in this article, the Deputy
27 Commissioner has the powers and duties of the Commissioner:

28 (1) To the extent delegated by the Commissioner;

29 (2) If the office of the Commissioner is vacant; [and] **OR**

1 (3) If for any reason the Commissioner is unable to perform the duties of
2 the office.

3 2-104.

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

5 (2) "Applicant" means an applicant for employment with the
6 [Commissioner] **FINANCIAL REGULATION DIVISION OF THE MARYLAND INSURANCE**
7 **ADMINISTRATION.**

8 [(3) "Central Repository" means the Criminal Justice Information System
9 Central Repository of the Department of Public Safety and Correctional Services.]

10 [(4)] **(3)** "Employee" means a full-time or part-time employee [of the
11 Commissioner] **IN THE FINANCIAL REGULATION DIVISION OF THE MARYLAND**
12 **INSURANCE ADMINISTRATION**, including a temporary employee or a contractual
13 employee.

14 (b) **(1)** The Commissioner [may employ a staff in accordance with the State
15 budget], **IN CONSULTATION WITH THE INSURANCE COMMISSIONER, MAY SET THE**
16 **COMPENSATION OF AN EMPLOYEE IN A POSITION THAT:**

17 **(I) IS UNIQUE TO THE FINANCIAL REGULATION DIVISION;**

18 **(II) REQUIRES SPECIFIC SKILLS OR EXPERIENCE TO PERFORM**
19 **THE DUTIES OF THE POSITION; AND**

20 **(III) DOES NOT REQUIRE THE EMPLOYEE TO PERFORM**
21 **FUNCTIONS THAT ARE COMPARABLE TO FUNCTIONS PERFORMED IN OTHER UNITS**
22 **OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT.**

23 **(2) THE COMMISSIONER, IN CONSULTATION WITH THE INSURANCE**
24 **COMMISSIONER, SHALL DETERMINE THE POSITIONS FOR WHICH THE**
25 **COMMISSIONER MAY SET COMPENSATION UNDER PARAGRAPH (1) OF THIS**
26 **SUBSECTION.**

27 **(3) ALL EMPLOYEES IN THE FINANCIAL REGULATION DIVISION THAT**
28 **SERVE IN A MANAGEMENT, PROFESSIONAL, OR TECHNICAL CAPACITY ARE IN THE**
29 **MANAGEMENT SERVICE OR ARE SPECIAL APPOINTMENTS IN THE STATE PERSONNEL**
30 **MANAGEMENT SYSTEM AND SERVE AT THE PLEASURE OF THE COMMISSIONER.**

31 **(4) THE COMMISSIONER IS THE APPOINTING AUTHORITY FOR ALL**
32 **SKILLED SERVICE EMPLOYEES IN THE FINANCIAL REGULATION DIVISION.**

1 (c) The Commissioner shall apply to the [Central Repository for a State and]
2 **FEDERAL BUREAU OF INVESTIGATION FOR A** national criminal history records check
3 for each applicant prior to an offer of employment.

4 (d) The Commissioner may apply to the [Central Repository for a State and]
5 **FEDERAL BUREAU OF INVESTIGATION FOR A** national criminal history records check
6 for an employee.

7 (e) As part of the application for a criminal history records check, the
8 Commissioner shall submit to the [Central Repository] **FEDERAL BUREAU OF**
9 **INVESTIGATION:**

10 (1) Two complete sets of the legible fingerprints taken on forms approved
11 by [the Director of the Central Repository and] the Director of the Federal Bureau of
12 Investigation; **AND**

13 [(2) The fee authorized under § 10–221(b)(7) of the Criminal Procedure
14 Article for access to Maryland criminal history records; and]

15 [(3)] (2) The mandatory processing fee required by the Federal Bureau of
16 Investigation for a national criminal history records check.

17 [(f) In accordance with §§ 10–201 through 10–234 of the Criminal Procedure
18 Article, the Central Repository shall forward to the subject applicant or employee and the
19 Commissioner the applicant’s or employee’s criminal history record information.]

20 [(g)] (F) Information obtained from the [Central Repository] **FEDERAL**
21 **BUREAU OF INVESTIGATION** under this section:

22 (1) Shall be confidential;

23 (2) May not be disseminated; and

24 (3) Shall be used only for the employment purpose authorized by this
25 section.

26 [(h)] (G) The subject of a criminal history records check under this section [may
27 contest the contents of the printed statement issued by the Central Repository as provided
28 in § 10–223 of the Criminal Procedure Article] **WHO SEEKS TO CHANGE, CORRECT, OR**
29 **UPDATE THE FEDERAL BUREAU OF INVESTIGATION’S CRIMINAL HISTORY RECORD**
30 **MUST FOLLOW THE PROCEDURES SET FORTH IN 28 C.F.R. § 16.34.**

1 **[(i)] (H)** In considering any felony or misdemeanor conviction of an individual
2 as it relates to the individual's qualification for employment with the **[Commissioner]**
3 **FINANCIAL REGULATION DIVISION**, the Commissioner shall consider:

4 (1) The nature of the crime;

5 (2) The relevance of the crime to the duties and responsibilities related to
6 employment;

7 (3) The length of time since the conviction; and

8 (4) The behavior and activities of the individual since the conviction.

9 2-105.

10 The Commissioner exercises the powers and performs the duties of the office subject
11 to the authority of the **[Secretary of Labor, Licensing, and Regulation] INSURANCE**
12 **COMMISSIONER**.

13 2-111.

14 (a) The Commissioner, employees of the **[Commissioner's office] FINANCIAL**
15 **REGULATION DIVISION**, and other State employees acting under supervision of the
16 **[Commissioner's office] FINANCIAL REGULATION DIVISION** may not own stock in any
17 institution that is subject to examination or supervision by the Commissioner.

18 (b) This section does not apply to a member share account of the Commissioner,
19 an employee of the **[Commissioner's office] FINANCIAL REGULATION DIVISION**, or other
20 State employees acting under the supervision of the **[Commissioner's office] FINANCIAL**
21 **REGULATION DIVISION** held at a credit union that has a membership of over 60,000 State
22 employees.

23 2-112.

24 (a) Except as provided in subsection (b) of this section, the Commissioner,
25 employees of the **[Commissioner's office] FINANCIAL REGULATION DIVISION**, and other
26 State employees acting under the supervision of the **[Commissioner's office] FINANCIAL**
27 **REGULATION DIVISION** may not:

28 (1) Become indebted to any institution that is subject to the jurisdiction of
29 the Commissioner; or

30 (2) Engage or be interested in the sale of securities of or in the negotiation
31 of loans for others to or with any banking institution or credit union.

32 (b) This section does not apply to a loan that is:

1 (1) Made to a member of a credit union that has a membership of over
2 60,000 State employees; and

3 (2) Approved by:

4 (i) A credit committee approval under § 6–603(a)(1) of this article;
5 and

6 (ii) The Board of Directors.

7 (c) The Commissioner, employees of the [Commissioner’s office] **FINANCIAL**
8 **REGULATION DIVISION**, and other State employees acting under the supervision of the
9 [Commissioner’s office] **FINANCIAL REGULATION DIVISION** may not:

10 (1) Serve as an officer, director, or committee member of a credit union; or

11 (2) Exercise any voting rights in a credit union.

12 (d) Any person who violates any provision of this section is subject to forfeiture of
13 that person’s office or employment.

14 2–113.

15 (a) In this section, “affiliate” has the meaning stated in § 5–401(b) of this article.

16 (b) Except as provided in subsection (d) of this section, the investigative and
17 enforcement powers of the Commissioner authorized under this subtitle are in addition to
18 any investigative or enforcement powers of the Commissioner authorized under any other
19 provision of law.

20 (c) Beginning in fiscal year 2001, the Governor shall appropriate in the State
21 budget in each fiscal year to the Division of Financial Regulation funding for the positions
22 necessary to implement the investigative and enforcement powers authorized under this
23 subtitle.

24 (d) Except as provided in § 2–117 of this subtitle, the provisions of §§ 2–114
25 through 2–117, inclusive, of this subtitle do not apply to:

26 (1) Any bank, trust company, savings bank, savings and loan association,
27 or credit union incorporated or chartered under the laws of this State or the United States
28 that maintains its principal office in this State;

29 (2) Any out-of-state bank, as defined in § 5–1001 of this article, having a
30 branch that accepts deposits in this State;

1 (3) Any institution incorporated under federal law as a savings association
2 or savings bank that does not maintain its principal office in this State but has a branch
3 that accepts deposits in this State; or

4 (4) An affiliate of an institution described in item (1), (2), or (3) of this
5 subsection over which the Commissioner has no jurisdiction.

6 **(E) AN ORDER OR A NOTICE OF THE COMMISSIONER MUST BE IN WRITING**
7 **AND SIGNED BY THE COMMISSIONER OR AN INDIVIDUAL AUTHORIZED BY THE**
8 **COMMISSIONER.**

9 2-401.

10 Subject to the evaluation and reestablishment provisions of the Program Evaluation
11 Act, the provisions of this article that create the [office of the Commissioner of] Financial
12 Regulation **DIVISION** or relate to the powers and duties of the Commissioner and any
13 regulations adopted under these provisions shall terminate and be of no effect after July 1,
14 2022.

15 3-212.

16 (d) (1) If, after examination, it appears that the required capital stock and
17 surplus have not been paid in full, the Commissioner may not issue the certificate of
18 authority to do business.

19 (2) If, after examination, the Commissioner has reason to believe that the
20 stockholders formed the commercial bank for any purpose other than legitimate business
21 under this article, the Commissioner[, with the advice and consent of the Secretary of
22 Labor, Licensing, and Regulation,] may withhold the certificate.

23 3-704.

24 (a) (1) Except as provided in subsection (b) of this section, the Commissioner
25 shall publish a notice of the filing of the agreement.

26 (2) The notice shall be published in the Maryland Register as provided in
27 the State Documents Law.

28 (b) [Subject to confirmation by the Secretary of Labor, Licensing, and Regulation,
29 the] **THE** Commissioner may approve an agreement without the notice required by this
30 section if **THE COMMISSIONER DETERMINES THAT:**

31 (1) The agreement and proposed transaction meet the requirements of §
32 3-706 of this subtitle;

1 (2) The financial condition or stability of one of the constituent banks is
2 such that a delay of the proposed transaction will cause an economic hardship to it; and

3 (3) Approval of the agreement is in the public interest.

4 4-701.

5 (f) [Subject to confirmation by the Secretary of Labor, Licensing, and Regulation,
6 the] **THE** Commissioner may approve an agreement without the notice in the Maryland
7 Register if:

8 (1) The financial condition or stability of one of the parties to the proposed
9 transaction is such that a delay of the proposed transaction will cause an economic hardship
10 to it; and

11 (2) Approval of the agreement is in the public interest.

12 4-802.

13 (f) [Subject to confirmation by the Secretary of Labor, Licensing, and Regulation,
14 the] **THE** Commissioner may approve an application without publication of the notice of
15 filing of application in the Maryland Register if:

16 (1) The financial condition or stability of one of the parties to the proposed
17 reorganization is such that a delay of the proposed reorganization will cause an economic
18 hardship to the party; and

19 (2) Approval of the application is in the public interest.

20 4-907.

21 (d) (1) If, after examination, it appears that the required capital stock and
22 surplus have not been paid in full, the Commissioner may not issue the certificate of
23 authority to do business.

24 (2) If, after examination, the Commissioner has reason to believe that the
25 stockholders formed the subsidiary savings bank for any purpose other than legitimate
26 business under this article, the Commissioner[, with the advice and consent of the
27 Secretary of Labor, Licensing, and Regulation,] may withhold the certificate.

28 5-801.

29 (a) If the Commissioner believes that a director or officer of a banking institution
30 has engaged in an unsafe or unsound banking practice, the Commissioner shall send a
31 warning to the director or officer.

1 (b) (1) If the Commissioner finds that the director or officer has continued to
2 engage in the unsafe or unsound practice, the Commissioner may report the facts to the
3 [Secretary of Labor, Licensing, and Regulation and the] Attorney General.

4 (2) A copy of the report shall be sent by certified mail, return receipt
5 requested, bearing a postmark from the United States Postal Service, to each director of
6 the banking institution.

7 (c) (1) [After giving the officer or director an opportunity to be heard, if] **IF**
8 the Commissioner finds that the unsafe or unsound practice continued after the warning,
9 **AND THE OFFICER OR DIRECTOR WAS PROVIDED AN OPPORTUNITY TO BE HEARD,**
10 the Commissioner [with the approval of the Secretary of Labor, Licensing, and Regulation]
11 may remove the officer or director.

12 (2) **NOTICE OF THE HEARING SHALL BE GIVEN AND THE HEARING**
13 **SHALL BE HELD IN ACCORDANCE WITH TITLE 10 OF THE STATE GOVERNMENT**
14 **ARTICLE.**

15 [(2)] (3) A copy of the removal order shall be served on the individual
16 removed and the banking institution.

17 5-802.

18 (a) If the Commissioner believes that a banking institution or any of its directors,
19 officers, trustees, managers, agents, or employees has violated any provision of this article
20 that relates to the institution, the Commissioner immediately shall report the violation to
21 the [Secretary of Labor, Licensing, and Regulation, who shall ask the] Attorney General
22 **AND REQUEST THE ATTORNEY GENERAL** to take the appropriate steps to institute a
23 prosecution for the violation.

24 (b) (1) The Commissioner shall send a warning to a director or officer of a
25 banking institution who the Commissioner believes has violated any provision of this
26 article that relates to the institution.

27 (2) If, after the warning, the director or officer continues to violate the law,
28 the director or officer may be removed as provided in [§ 5-801] **§ 5-801(C)** of this subtitle.

29 (c) Unless another penalty specifically is provided elsewhere in this article, any
30 banking institution and any director, officer, trustee, manager, agent, or employee of a
31 banking institution who violates any provision of this article that relates to the institution
32 is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$3,000 or
33 imprisonment not exceeding 5 years or both.

34 6-713.

1 If a credit union files an application with the [Maryland] Insurance Commissioner
2 to purchase or make available, as an agent or otherwise, insurance for its members either
3 on an individual or group basis, the credit union shall notify the Commissioner, within 10
4 days after filing the application, that the credit union has filed the application.

5 6-907.

6 (a) (1) If the Commissioner believes that an officer or official has engaged in
7 an unsafe or unsound practice, the Commissioner shall send a warning to the officer or
8 official.

9 (2) If the Commissioner finds that the officer or official has continued to
10 engage in the unsafe or unsound practice, the Commissioner may report the facts to the
11 [Secretary of Labor, Licensing, and Regulation and the] Attorney General.

12 (3) A copy of the report shall be sent by certified mail, return receipt
13 requested, bearing a postmark from the United States Postal Service, to each director of
14 the credit union.

15 (b) (1) If the Commissioner finds that the unsafe or unsound practice
16 continues after the warning and the officer, official, agent, or employee was provided an
17 opportunity to be heard, the Commissioner may remove the officer, official, agent, or
18 employee [with the approval of the Secretary of Labor, Licensing, and Regulation].

19 (2) Notice of the hearing shall be given and the hearing shall be held in
20 accordance with Title 10 of the State Government Article.

21 (c) A copy of the removal order shall be served on the individual removed and the
22 credit union.

23 (d) If the Commissioner determines that the unsafe or unsound practice under
24 subsection (a) of this section requires immediate action to protect depositors or members,
25 the Commissioner:

26 (1) May issue a cease and desist order that is effective on service; and

27 (2) Shall give the officer or official an opportunity for a hearing to rescind
28 the order.

29 6-908.

30 (a) If the Commissioner believes that any officer, official, agent, or employee of a
31 credit union has violated any provision of this title, the Commissioner may report the
32 violation directly to the [Secretary of Labor, Licensing, and Regulation and to the] Attorney
33 General who shall take the appropriate steps to institute a prosecution for the violation.

34 10-120.

1 (c) All rights, claims, and liabilities of the Fund accrue to any successor entity
2 and, if a successor entity is not created by law, to the [Department of Labor, Licensing, and
3 Regulation] **FINANCIAL REGULATION DIVISION**.

4 11-209.

5 (e) The [Secretary] **COMMISSIONER** may determine that licenses issued under
6 this subtitle shall expire on a staggered basis.

7 11-409.

8 (c) The [Secretary] **COMMISSIONER** may determine that licenses issued under
9 this subtitle shall expire on a staggered basis.

10 12-802.

11 (a) In this subtitle the following words have the meanings indicated.

12 (b) “Currency” means currency and coin of the United States or any other country.

13 [(c) “Department” means the Department of Labor, Licensing, and Regulation.]

14 [(d)] **(C)** (1) “Financial institution” means:

15 (i) A national banking association;

16 (ii) A State banking institution;

17 (iii) A credit union that is organized under the laws of this State or
18 of the United States;

19 (iv) Any other organization that is organized under the banking laws
20 of the State and subject to the supervision of the Commissioner;

21 (v) A savings and loan association that is organized under the laws
22 of the State or of the United States; or

23 (vi) Persons engaged in the business of cashing checks for a fee
24 unless performed incidental to the sale of goods or services.

25 (2) “Financial institution” does not include any person licensed by the
26 Commissioner under Title 11 of this article.

27 [(e)] **(D)** “Person” means an individual, partnership, firm, trust, estate,
28 association, corporation, or other entity.

1 [(f) “Secretary” means the Secretary of Labor, Licensing, and Regulation.]

2 [(g) (E) “Transaction” includes the deposit, withdrawal, transfer, bailment,
3 loan, pledge payment, or exchange of currency by, through, or to the financial institution.

4 12–803.

5 (a) A financial institution shall keep a record of currency transactions in excess
6 of \$10,000 and shall [file with the Department within 15 days of the date of the transaction
7 pursuant to regulations adopted by the Secretary a complete report of currency
8 transactions in excess of \$10,000.

9 (b) The reporting requirements of this section are complied with if:

10 (1) A financial institution files with the Department a duplicate copy of the
11 report required by 31 U.S.C. § 5313; or

12 (2) The information in] **MAKE** the [report] **REPORTS** required by 31 U.S.C.
13 § 5313 [is] available to the [Department from a federal agency] **COMMISSIONER**.

14 [(c) The Secretary shall adopt regulations to carry out the purposes of this subtitle
15 and to provide for the exemption of transactions which are clearly of a legitimate nature
16 and for which mandatory reporting would serve no useful purpose.]

17 [(d) (B) A transaction that is exempt from reporting by a financial institution
18 under federal law is also exempt from [the reporting requirements of] this subtitle.

19 12–804.

20 (a) The Department of Public Safety and Correctional Services and the Office of
21 the Attorney General shall have access to and shall be authorized to inspect and copy any
22 reports [filed with the Department] **AVAILABLE** under this [article] **SUBTITLE**.

23 (b) The [Department] **COMMISSIONER** may make the contents of a report
24 available to other criminal justice agencies only for purposes of investigation or prosecution
25 of the subject of the report.

26 12–805.

27 (a) The [Secretary] **COMMISSIONER** may assess a civil penalty against any
28 financial institution and any officer, employee, agent, or director of the institution for each
29 knowing and willful violation of this subtitle.

30 12–806.

1 If the information required by § 12–803(a) of this subtitle has been available to the
2 [Department] COMMISSIONER from a federal agency, a financial institution may not be
3 subject to the civil penalties provided for in this subtitle unless the financial institution has
4 been notified by the [Department] COMMISSIONER that:

5 (1) The information is no longer available; and

6 (2) The financial institution is now required to provide the information to
7 the [Department] COMMISSIONER.

8 Article – Insurance

9 1–202.

10 (C) EXCEPT AS OTHERWISE PROVIDED BY THE FINANCIAL INSTITUTIONS
11 ARTICLE AND SECTIONS 2–102.1, 2–103(B)(3), AND 2–105(B) OF THIS ARTICLE, THIS
12 ARTICLE DOES NOT APPLY TO THE FINANCIAL REGULATION DIVISION, THE
13 COMMISSIONER OF THE FINANCIAL REGULATION DIVISION, OR THE STATE
14 COLLECTION AGENCY LICENSING BOARD.

15 2–102.1.

16 THE FINANCIAL REGULATION DIVISION ESTABLISHED UNDER § 2–101 OF THE
17 FINANCIAL INSTITUTIONS ARTICLE IS A DIVISION OF THE ADMINISTRATION.

18 2–103.

19 (b) (1) The Commissioner is responsible for the operation of the
20 Administration.

21 (2) The Commissioner shall:

22 (i) exercise the powers and perform the duties of the Administration
23 under this article;

24 (ii) organize the Administration to function efficiently and to serve
25 the public; and

26 (iii) establish, in the Administration, the units necessary for the
27 exercise of the powers and performance of the duties of the Administration.

28 (3) THE AUTHORITY OF THE COMMISSIONER TO CONTROL AND
29 SUPERVISE THE ADMINISTRATION DOES NOT INCLUDE THE POWER TO DISAPPROVE
30 OR MODIFY ANY APPOINTMENT, DECISION, OR DETERMINATION THAT THE
31 COMMISSIONER OF THE FINANCIAL REGULATION DIVISION OR THE DEPUTY

1 **COMMISSIONER OF THE FINANCIAL REGULATION DIVISION MAKES UNDER**
2 **AUTHORITY SPECIFICALLY DELEGATED BY LAW TO THE COMMISSIONER OF THE**
3 **FINANCIAL REGULATION DIVISION.**

4 2–105.

5 (b) **[All] EXCEPT AS PROVIDED IN § 2–103(B)(3) OF THIS SUBTITLE, ALL**
6 employees of the Administration that serve in a management, professional, or technical
7 capacity are in the executive service, management service, or are special appointments in
8 the State Personnel Management System and serve at the pleasure of the Commissioner.

9 **Article – Real Property**

10 14–126.1.

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

12 [(2) “Department” means the Department of Labor, Licensing, and
13 Regulation.]

14 (2) **“COMMISSIONER” MEANS THE COMMISSIONER OF THE**
15 **FINANCIAL REGULATION DIVISION ESTABLISHED UNDER § 2–101 OF THE**
16 **FINANCIAL INSTITUTIONS ARTICLE.**

17 (3) “Foreclosed Property Registry” means the Foreclosed Property Registry
18 [established] **MAINTAINED** by the [Department] **COMMISSIONER** under subsection (b) of
19 this section.

20 (4) “Foreclosure purchaser” means the person identified as the purchaser
21 on the report of sale required by Maryland Rule 14–305 for a foreclosure sale of residential
22 property.

23 (5) “Fund” means the Foreclosed Property Registry Fund [established]
24 **ADMINISTERED** by the [Department] **COMMISSIONER** under subsection (i) of this section.

25 (6) “Local jurisdiction” means:

26 (i) A county; or

27 (ii) A municipal corporation.

28 (7) “Residential property” means real property improved by four or fewer
29 dwelling units that are designed principally and are intended for human habitation.

1 (b) The [Department] **COMMISSIONER** shall [establish and] maintain an
2 Internet-based Foreclosed Property Registry for information relating to foreclosure sales
3 of residential property.

4 (c) At the time of a foreclosure sale of residential property, the person responsible
5 for conducting the foreclosure shall obtain from the foreclosure purchaser a written
6 acknowledgment of the requirements of this section.

7 (d) (1) Within 30 days after a foreclosure sale of residential property, a
8 foreclosure purchaser shall submit an initial registration to the Foreclosed Property
9 Registry.

10 (2) The initial registration shall:

11 (i) Be in the form the [Department] **COMMISSIONER** requires; and

12 (ii) Contain the following information:

13 1. The name, telephone number, and address of the
14 foreclosure purchaser;

15 2. The street address of the property that is the subject of the
16 foreclosure sale;

17 3. The date of the foreclosure sale;

18 4. Whether the property is a single-family or multifamily
19 property;

20 5. The name and address of the person, including a
21 substitute purchaser, who is authorized to accept legal service for the foreclosure
22 purchaser;

23 6. To the best of the foreclosure purchaser's knowledge at the
24 time of registration:

25 A. Whether the residential property is vacant; and

26 B. The name, telephone number, and street address of the
27 person who is responsible for the maintenance of the property; and

28 7. Whether the foreclosure purchaser has possession of the
29 property.

30 (3) Within 30 days after a deed transferring title to the residential property
31 has been recorded, the foreclosure purchaser shall submit a final registration to the
32 Foreclosed Property Registry.

- 1 (4) The final registration shall:
- 2 (i) Be in the form the [Department] **COMMISSIONER** requires; and
- 3 (ii) Contain the following information as of the date of final
4 registration:
- 5 1. The name, telephone number, and address of the owner on
6 the deed;
- 7 2. The date of the ratification of the sale; and
- 8 3. The date the deed was recorded.
- 9 (e) (1) The filing fees for registering a residential property are:
- 10 (i) \$50 for an initial registration filed within the time period
11 required under subsection (d)(1) of this section; and
- 12 (ii) \$100 for an initial registration filed after the time period
13 required under subsection (d)(1) of this section.
- 14 (2) There is no fee for a final registration.
- 15 (3) A filing fee paid under paragraph (1) of this subsection is
16 nonrefundable.
- 17 (4) A local jurisdiction may enact a local law that imposes a civil penalty
18 for failure to register under this section in an amount not exceeding \$1,000.
- 19 (f) (1) Subject to paragraph (2) of this subsection, a local jurisdiction that, in
20 accordance with any applicable building code or local ordinance, abates a nuisance on a
21 residential property registered under this section or takes action to maintain a residential
22 property registered under this section may collect the cost associated with the abatement
23 or other action as a charge included on the residential property's property tax bill.
- 24 (2) (i) The cost associated with an abatement or other action taken
25 under paragraph (1) of this subsection may not be included as a charge on the residential
26 property's property tax bill unless the local jurisdiction provides advance written notice in
27 accordance with subparagraph (ii) of this paragraph to:
- 28 1. The person identified in the registry who is authorized to
29 accept legal service for the foreclosure purchaser; and
- 30 2. The person identified in the registry who is responsible for
31 the maintenance of the property.

1 (ii) The notice described in subparagraph (i) of this paragraph shall:

2 1. Describe the intended abatement or other action the local
3 jurisdiction intends to take; and

4 2. Be provided:

5 A. In accordance with the notice provisions of the applicable
6 building code or local ordinance; or

7 B. If the applicable building code or local ordinance does not
8 provide for notice, at least 30 days before the local jurisdiction abates the nuisance or takes
9 action to maintain the property.

10 (g) (1) The Foreclosed Property Registry:

11 (i) Is not a public record as defined by § 4-101 of the General
12 Provisions Article; and

13 (ii) Is not subject to Title 4 of the General Provisions Article.

14 (2) The [Department] **COMMISSIONER** may authorize access to the
15 Foreclosed Property Registry only to local jurisdictions, their agencies, and representatives
16 and State agencies.

17 (3) Notwithstanding paragraphs (1) and (2) of this subsection, the
18 [Department] **COMMISSIONER** or a local jurisdiction may provide information for a
19 specific property in the Foreclosed Property Registry to:

20 (i) A person who owns property on the same block; or

21 (ii) A homeowners association or condominium in which the property
22 is located.

23 (h) Revenue collected from the filing fees required under subsection (e)(1) of this
24 section shall be distributed to the Fund.

25 (i) (1) There is a Foreclosed Property Registry Fund [in the Department].

26 (2) The purpose of the Fund is to [support]:

27 **(I) SUPPORT** the development, administration, and maintenance of
28 the Foreclosed Property Registry established under this section; **AND**

1 **(II) CONDUCT FORECLOSURE PREVENTION OUTREACH,**
2 **INCLUDING FINANCIAL EDUCATION.**

3 (3) The [Department] **COMMISSIONER** shall administer the Fund.

4 (4) (i) The Fund is a special, nonlapsing fund that is not subject to §
5 7–302 of the State Finance and Procurement Article.

6 (ii) The State Treasurer shall hold the Fund separately, and the
7 Comptroller shall account for the Fund.

8 (5) The Fund consists of:

9 (i) Revenue distributed to the Fund under subsection (h) of this
10 section;

11 (ii) Investment earnings of the Fund;

12 (iii) Money appropriated in the State budget to the Fund; and

13 (iv) Any other money from any other source accepted for the benefit
14 of the Fund.

15 (6) (i) The State Treasurer shall invest the money of the Fund in the
16 same manner as other State money may be invested.

17 (ii) Any investment earnings of the Fund shall be paid into the Fund.

18 (j) (1) Except as provided in paragraph (2) of this subsection, only the State
19 may enact a law requiring a notice to be filed with a unit of government to register
20 residential properties that are subject to foreclosure.

21 (2) This subsection does not restrict or otherwise affect the ability of a unit
22 of government to require a registration or notice to be filed for a purpose other than one
23 relating to foreclosure, even if a property to be identified in the registration or notice is
24 subject to foreclosure.

25 **Article – State Government**

26 8–403.

27 (b) Each of the following governmental activities or units and the statutes and
28 regulations that relate to the governmental activities or units are subject to preliminary
29 evaluation in the evaluation year specified:

1 (21) Financial Regulation[, Office of the Commissioner of] **DIVISION OF**
2 **THE MARYLAND INSURANCE ADMINISTRATION** (§ 2-101 of the Financial Institutions
3 Article: 2019);

4 SECTION 2. AND BE IT FURTHER ENACTED, That:

5 (a) All unexpended appropriations, including State and federal funds, held by the
6 Commissioner of Financial Regulation and the State Collection Agency Licensing Board to
7 carry out the functions and programs transferred under this Act shall be transferred to the
8 Maryland Insurance Administration on July 1, 2017.

9 (b) Funding for the functions and programs under the Financial Regulation
10 Division established under Section 1 of this Act shall be provided by the Maryland
11 Insurance Administration in the fiscal 2018 State budget.

12 (c) On July 1, 2017, federal fund grants directed to the Commissioner of Financial
13 Regulation shall be transferred to the Maryland Insurance Administration.

14 (d) On July 1, 2017, all of the books, records (including electronic records),
15 personal property (tangible and intangible), assets, liabilities, credits, special funds, grants,
16 commitments for grants, rights, and privileges of the Commissioner of Financial Regulation
17 and the State Collection Agency Licensing Board that are transferred under this Act shall
18 be transferred to the Maryland Insurance Administration.

19 SECTION 3. AND BE IT FURTHER ENACTED, That, except as otherwise provided
20 by law, all existing laws, regulations, proposed regulations, standards and guidelines,
21 orders and other directives, forms, plans, memberships, contracts, investigations,
22 administrative and judicial responsibilities, rights to sue and be sued, and all other duties,
23 functions, powers, and responsibilities of the Commissioner of Financial Regulation and
24 the State Collection Agency Licensing Board that are the subject of this Act before the
25 effective date of this Act shall continue under and, as appropriate, are legal and binding on
26 the Maryland Insurance Administration on and after the effective date of this Act until
27 completed, withdrawn, canceled, modified, or otherwise changed under the law.

28 SECTION 4. AND BE IT FURTHER ENACTED, That any person that is licensed or
29 registered by the Commissioner of Financial Regulation or the State Collection Agency
30 Licensing Board on June 30, 2017, is considered for all purposes to be licensed or registered
31 on and after the effective date of this Act for the duration of the term for which the license
32 or registration was issued.

33 SECTION 5. AND BE IT FURTHER ENACTED, That:

34 (a) All employees who are transferred to the Maryland Insurance Administration as
35 a result of this Act shall be transferred without diminution of their rights, benefits, or
36 employment or retirement status.

37 (b) Nothing in this Act shall affect the terms of office of a member of the State

1 Collection Agency Licensing Board that is transferred by this Act to the Maryland Insurance
2 Administration. An individual who is a member of the State Collection Agency Licensing
3 Board on the effective date of this Act shall remain a member for the balance of the term to
4 which the member is appointed, unless the member dies or resigns or is removed under
5 applicable provisions of law.

6 (c) Nothing in this Act shall affect the appointment of the Commissioner of
7 Financial Regulation or the Deputy Commissioner of Financial Regulation who, on June 30,
8 2017, are serving as the Commissioner of Financial Regulation and the Deputy Commissioner of
9 Financial Regulation. They shall remain in office on the effective date of this Act as the
10 Commissioner of the Financial Regulation Division and the Deputy Commissioner of the
11 Financial Regulation Division until the Maryland Insurance Commissioner terminates the
12 appointment, unless the individual dies or resigns.

13 SECTION 6. AND BE IT FURTHER ENACTED, That, except as otherwise expressly
14 provided by this Act, any transaction affected by or flowing from any statute added,
15 amended, repealed, or transferred under this Act, and validly entered into before the
16 effective date of this Act, and every right, duty, or interest flowing from it, shall remain valid
17 after the effective date of this Act and may be terminated, completed, consummated, or
18 enforced in accordance with applicable law.

19 SECTION 7. AND BE IT FURTHER ENACTED, That the publisher of the Annotated
20 Code of Maryland, in consultation with and subject to the approval of the Department of
21 Legislative Services, shall correct, with no further action required by the General Assembly,
22 cross-references and terminology rendered incorrect by this Act or by any other Act of the
23 General Assembly of 2017 that affects provisions enacted by this Act. The publisher shall
24 adequately describe any correction that is made in an editor's note following the section
25 affected.

26 SECTION 8. AND BE IT FURTHER ENACTED, That this Act shall take effect July
27 1, 2017.