

HOUSE BILL 1127

I1, I3, N1

9lr2428
CF SB 786

By: **Delegates Carey and Hill**

Introduced and read first time: February 8, 2019

Assigned to: Economic Matters

A BILL ENTITLED

AN ACT concerning

Financial Consumer Protection Act of 2019

FOR the purpose of establishing and strengthening consumer protections in certain areas of financial transactions, including mobile home purchases, security breaches, vehicle purchases, money transmission, and other areas; applying certain existing financial consumer protections to new forms of financial transactions; establishing that a mobile home retailer has a certain duty of good faith and fair dealing; prohibiting a mobile home retailer from steering a consumer borrower to certain products; requiring a mobile home retailer to provide a certain written statement to a consumer borrower in a certain manner; requiring a certain written statement to be on a certain form prescribed by the Commissioner of Financial Regulation by regulation; establishing that the failure to comply with certain laws does not impact the validity of a certain transaction; authorizing the Commissioner to enforce certain laws in a certain manner; requiring a lender to serve a certain notice on a consumer borrower a certain number of days before the lender repossesses a certain mobile home under certain circumstances; requiring a credit grantor to serve a certain notice on a consumer borrower a certain number of days before the credit grantor repossesses a certain mobile home under certain circumstances; requiring certain notices that are given less than a certain number of days before a certain repossession to include a certain certification; authorizing the Commissioner to set certain fees based on certain activity; requiring a certain business that maintains certain personal information to implement and maintain certain security procedures and practices to protect the information; requiring a business to notify a certain individual of a certain breach of a security system unless the business makes a certain determination; requiring a certain notification to a certain individual within a certain number of days after a business discovers or is notified of a certain breach; requiring a certain notification to a certain owner or licensee within a certain number of days after a business discovers or is notified of a certain breach; requiring a certain notification after a certain delay within a certain number of days after a certain determination; requiring a certain notification to be given in a certain manner under certain circumstances; requiring certain supplemental notifications

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



to be provided in a certain manner; requiring the notice of a certain breach provided to the Office of the Attorney General to include certain information; requiring a certain entity to implement and maintain certain security procedures and practices to protect certain information; prohibiting a certain entity from retaining certain information for a certain period of time; making a certain entity liable to a certain financial institution for the reimbursement of certain costs under certain circumstances; making a certain vendor liable to a certain financial institution for the reimbursement of certain costs under certain circumstances; establishing that a certain entity or vendor is not liable for certain reimbursement under certain circumstances; authorizing a certain financial institution to bring an action to recover certain costs; requiring a certain dealer to disclose certain information to a certain buyer in a certain manner before executing a certain agreement for the sale of a vehicle; requiring a certain dealer to obtain a certain buyer's signature on certain disclosures before executing a certain agreement for the sale of a vehicle; prohibiting a certain dealer from participating in certain finance charges that would result in a certain difference in certain rates; establishing that certain persons are fiduciaries and have certain duties to customers; authorizing the Commissioner of Financial Regulation to adopt certain regulations; providing that certain provisions of law do not impose certain requirements on a certain broker-dealer that are not imposed under federal law; adding certain sources of revenue to the Nondepository Special Fund; requiring the Commissioner to pay certain fines and penalties into the General Fund of the State; adding as a purpose of the Nondepository Special Fund the coverage of costs of certain statutory and regulatory duties of the Commissioner related to certain provisions of law; requiring a certain money transmission license applicant to provide information that satisfies the Commissioner that the applicant has created in a record policies and procedures for certain programs; requiring money transmitters to maintain certain amounts of virtual currency under certain circumstances; prohibiting a money transmitter from providing money transmission services to a customer unless the transmitter fully complies with certain federal laws; prohibiting a certain person from engaging in certain practices in the conduct of money transmission; requiring a certain licensee to maintain in a record policies and procedures for certain compliance programs; requiring certain licensing revenue to be credited and used in a certain manner; prohibiting a certain person from providing currency exchange services unless the person has a certain license; requiring a separate license for certain business locations; requiring a certain license applicant or licensee to provide certain information to NMLS; establishing certain eligibility qualifications for a certain license; requiring a certain license applicant or licensee to provide certain fingerprints to NMLS under certain circumstances and for a certain purpose; requiring a certain license applicant or licensee to pay a certain fee; providing for the application of certain provisions of law; extending certain privacy and confidentiality requirements to certain information provided to NMLS under certain circumstances; extending certain privileges to certain information provided to NMLS; authorizing the sharing of certain information or material provided to NMLS with certain entities; superseding certain provisions of law relating to the disclosure of certain information or material; requiring an applicant for a certain license to apply in a certain manner and include certain information in an application; requiring an applicant for a certain license to pay certain fees to the

Commissioner and NMLS; requiring separate license applications and fees for certain business locations; subjecting a person who makes a certain false statement on a certain application to certain penalties of perjury; establishing the date on which certain license applications must be submitted through NMLS; requiring the Commissioner to determine the fitness of an applicant to receive a license in a certain manner; requiring, under certain circumstances, the Commissioner to approve or deny an application on or before a certain date; requiring the Commissioner to issue a certain license to any applicant who meets certain requirements; requiring the Commissioner to take certain actions if a license applicant does not meet certain requirements; requiring the Commissioner to provide a certain notice to a certain applicant of a denied application within a certain number of days in a certain manner; requiring the Commissioner to include certain information on a certain license; establishing that a certain license authorizes the licensee to provide currency exchange services in a certain manner; authorizing the Commissioner to issue more than one license under certain circumstances; authorizing a certain licensee to surrender a license by sending a certain statement to the Commissioner in a certain manner; prohibiting the Commissioner from refunding any part of a certain license fee if a license is surrendered under certain circumstances; establishing that surrender of a certain license does not affect certain liability for certain acts; establishing the initial term of a certain license; authorizing the renewal of a certain license under certain circumstances; establishing the renewal term of a certain license; prohibiting the transfer of a certain license; requiring a licensee to display a certain license in a certain manner; prohibiting a licensee from changing the location for which a license is issued unless the licensee provides certain notice to and receives certain consent from the Commissioner; requiring the Commissioner to send a certain licensee an amended license under certain circumstances; requiring a licensee to keep certain books and records for a certain period of time and in a certain manner; authorizing a certain licensee to retain certain records at any location under certain circumstances; requiring a certain licensee to retain a certain register of certain currency exchange services; authorizing the Commissioner to investigate and access certain records and business operations in a certain manner; authorizing the Commissioner to examine a certain person under oath; requiring a certain licensee to comply with certain laws concerning money laundering; requiring a licensee to post a notice of exchange rates and fees for currency exchange services at certain places of business and on a certain website in a certain manner; requiring a certain licensee to provide a customer with a certain receipt; requiring a certain licensee to maintain certain amounts of virtual currency under certain circumstances; prohibiting a licensee from providing currency exchange services to a customer unless the licensee is in full compliance with certain laws and the customer presents certain identification; prohibiting a licensee or person from engaging in certain activities while conducting virtual exchange services; authorizing the Commissioner to enforce certain provisions of law by issuing certain orders; authorizing the Commissioner to suspend or revoke certain licenses under certain circumstances; establishing certain criteria for the Commissioner to consider in determining whether to suspend or revoke a certain license; requiring the Commissioner to provide a certain licensee certain notice and an opportunity for a certain hearing before the Commissioner takes certain action; requiring the Commissioner to report

certain alleged criminal violations to certain entities; establishing that a certain penalty applies to a violation of certain provisions of law; authorizing the Commissioner to impose a certain civil penalty against a person who violates certain provisions of law; requiring the Commissioner to consider certain factors in determining a certain civil penalty; authorizing a person who is injured by a violation of certain provisions of law to bring certain actions; authorizing a court to award certain damages, fees, and costs to a certain plaintiff; providing that certain provisions of law may not be construed to affect a certain jurisdiction of the Securities Commissioner; requiring the Maryland Office of the Attorney General and the Office of the Commissioner of Financial Regulation to review certain model legislation and report to certain committees of the General Assembly on certain findings on or before a certain date; extending the effectiveness of the Maryland Financial Consumer Protection Commission until a certain date; requiring the Maryland Financial Consumer Protection Commission to assess the impact of certain financial services issues; requiring the Maryland Financial Consumer Protection Commission to report certain findings and recommendations to the General Assembly on or before a certain date; providing for the application of certain provisions of law; defining certain terms; providing for the effective dates of this Act; and generally relating to financial consumer protection.

BY repealing and reenacting, without amendments,

Article – Financial Institutions

Section 2–105.1(a)(1), 11–501(a), 11–601(a), and 12–401(a)

Annotated Code of Maryland

(2011 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, with amendments,

Article – Financial Institutions

Section 2–105.1(a)(5) through (10) and (c)(1)(x) and (xi) and (2)(ii), 11–501(c), 11–503.1, 11–601(q), 11–610(a)(10) through (13), (b)(1), and (c)(11) through (15), 12–401(m), and 12–407(b)(6) and (7)

Annotated Code of Maryland

(2011 Replacement Volume and 2018 Supplement)

BY adding to

Article – Financial Institutions

Section 2–105.1(a)(5) and (c)(1)(xii), 11–501(h–1), 11–601(m–1), 11–610(a)(10) and (c)(11), 12–401(f–1), (g–1), and (u), 12–407(b)(7), 12–414.1 through 12–414.3, and 12–425(d); and 12–1101 through 12–1129 to be under the new subtitle “Subtitle 11. Currency Exchanges”

Annotated Code of Maryland

(2011 Replacement Volume and 2018 Supplement)

BY adding to

Article – Real Property

Section 7–601 through 7–605 to be under the new subtitle “Subtitle 6. Mobile Home Retail Sales”

Annotated Code of Maryland
(2015 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, without amendments,
Article – Commercial Law
Section 12–101(a), 12–901(a), 12–1001(a), and 14–1901(a)
Annotated Code of Maryland
(2013 Replacement Volume and 2018 Supplement)

BY adding to
Article – Commercial Law
Section 12–101(h–1), 12–901(h–1), 12–1001(k–1), 14–1906.1, and 14–3504.1
Annotated Code of Maryland
(2013 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, with amendments,
Article – Commercial Law
Section 12–115(c) and (d), 12–921(c)(1), 12–1021(c)(1), 14–1901(e)(2), 14–3501,
14–3503(a), and 14–3504
Annotated Code of Maryland
(2013 Replacement Volume and 2018 Supplement)

BY adding to
Article – Transportation
Section 15–311.4
Annotated Code of Maryland
(2012 Replacement Volume and 2018 Supplement)

BY adding to
Article – Corporations and Associations
Section 11–803
Annotated Code of Maryland
(2014 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, with amendments,
Chapter 18 of the Acts of the General Assembly of 2017
Section 1(f) and (h) and 2

BY repealing and reenacting, with amendments,
Chapter 781 of the Acts of the General Assembly of 2017
Section 1(f) and (h) and 2

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

Article – Financial Institutions

11-501.

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

(c) (1) “Dwelling” [has the meaning stated in 15 U.S.C. § 1602(w)] **MEANS A RESIDENTIAL STRUCTURE OR MOBILE HOME THAT CONTAINS ONE TO FOUR FAMILY HOUSING UNITS, OR INDIVIDUAL UNITS OF CONDOMINIUMS OR COOPERATIVES.**

(2) “Dwelling” does not include a residential structure or mobile home unless the residential structure or mobile home, or at least one unit contained in the residential structure or mobile home, is owner-occupied.

(H-1) “MOBILE HOME” MEANS A TRAILER, HOUSE TRAILER, TRAILER COACH, OR ANY OTHER DWELLING THAT IS TRANSPORTABLE IN ONE OR MORE SECTIONS THAT IS:

(1) USED OR CAN BE USED FOR RESIDENTIAL PURPOSES; AND

(2) PERMANENTLY ATTACHED TO LAND OR CONNECTED TO UTILITY, WATER, OR SEWAGE FACILITIES.

11-601.

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

(M-1) “MOBILE HOME” HAS THE MEANING STATED IN § 11-501 OF THIS TITLE.

(q) (1) “Mortgage loan originator” means an individual who for compensation or gain, or in the expectation of compensation or gain:

(i) Takes a loan application; or

(ii) Offers or negotiates terms of a mortgage loan.

(2) “Mortgage loan originator” does not include an individual who:

(i) Acts solely as a mortgage loan processor or underwriter;

(ii) Performs only real estate brokerage activities and is licensed in accordance with Title 17 of the Business Occupations and Professions Article, unless the individual is compensated by a mortgage lender, mortgage broker, or other mortgage loan originator or by any agent of a mortgage lender, mortgage broker, or other mortgage loan originator; [or]

(iii) Is involved solely in extensions of credit relating to timeshare plans, as that term is defined in 11 U.S.C. § 101(53d); **OR**

(IV) IS A RETAILER OF MOBILE HOMES OR AN EMPLOYEE OF THE RETAILER IF THE RETAILER OR EMPLOYEE, AS APPLICABLE, DOES NOT RECEIVE, DIRECTLY OR INDIRECTLY, COMPENSATION OR GAIN FOR ENGAGING IN ACTIVITIES DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION.

Article – Real Property

SUBTITLE 6. MOBILE HOME RETAIL SALES.

7-601.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) “COMMISSIONER” MEANS THE COMMISSIONER OF FINANCIAL REGULATION IN THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION.

(C) “MOBILE HOME” HAS THE MEANING STATED IN § 11-501 OF THE FINANCIAL INSTITUTIONS ARTICLE.

(D) “MOBILE HOME RETAILER” MEANS A PERSON THAT:

(1) SELLS MOBILE HOMES AT RETAIL;

(2) PROVIDES INFORMATION REGARDING FINANCING PRODUCTS TO A CONSUMER BORROWER FOR THE PURCHASE OF A MOBILE HOME; AND

(3) IS NOT:

(I) A MORTGAGE LENDER AS DEFINED IN § 11-501 OF THE FINANCIAL INSTITUTIONS ARTICLE; OR

(II) A MORTGAGE ORIGINATOR AS DEFINED IN § 11-601 OF THE FINANCIAL INSTITUTIONS ARTICLE.

7-602.

A MOBILE HOME RETAILER:

(1) HAS A DUTY OF GOOD FAITH AND FAIR DEALING IN PROVIDING FINANCIAL INFORMATION TO A PROSPECTIVE CONSUMER BORROWER, INCLUDING PROVIDING FINANCIAL INFORMATION IN A MANNER THAT IS NOT MISLEADING OR DECEPTIVE AND THAT DISCLOSES ALL MATERIAL FACTS;

(2) MAY NOT STEER A CONSUMER BORROWER TO FINANCING PRODUCTS THAT OFFER LESS FAVORABLE TERMS; AND

(3) SHALL PROVIDE A WRITTEN STATEMENT TO A CONSUMER BORROWER IN ACCORDANCE WITH § 7-603 OF THIS SUBTITLE.

7-603.

(A) (1) THE STATEMENT REQUIRED UNDER § 7-602(3) OF THIS SUBTITLE SHALL BE ON A FORM PRESCRIBED BY THE COMMISSIONER BY REGULATION.

(2) IF THE FORM PRESCRIBED BY THE COMMISSIONER IS INCLUDED IN OTHER DOCUMENTS PROVIDED BY THE MOBILE HOME RETAILER TO A CONSUMER BORROWER, THE FORM SHALL BE CONSPICUOUS, SUCH AS THROUGH THE USE OF A DIFFERENT FONT OR SEPARATED WITH A BOX AROUND IT.

(B) THE STATEMENT REQUIRED UNDER § 7-602(3) OF THIS SUBTITLE SHALL INCLUDE:

(1) A DISCLOSURE THAT DESCRIBES ANY CORPORATE AFFILIATION BETWEEN THE MOBILE HOME RETAILER AND A FINANCING SOURCE ABOUT WHICH THE MOBILE HOME RETAILER PROVIDES INFORMATION TO THE CONSUMER BORROWER;

(2) A DISCLOSURE THAT THE CONSUMER BORROWER MAY OBTAIN FINANCING FROM ANY LENDER AND IS NOT REQUIRED TO OBTAIN FINANCING FROM A LENDER SUGGESTED BY THE MOBILE HOME RETAILER; AND

(3) INFORMATION REGARDING THE RIGHTS OF A CONSUMER BORROWER AND THE PROCEDURE FOR FILING A COMPLAINT WITH THE COMMISSIONER.

(C) THE MOBILE HOME RETAILER SHALL PROVIDE THE STATEMENT REQUIRED UNDER § 7-602(3) OF THIS SUBTITLE:

(1) TO A CONSUMER BORROWER AT THE TIME THE MOBILE HOME RETAILER PROVIDES INFORMATION TO THE CONSUMER BORROWER REGARDING FINANCING OR POTENTIALLY AVAILABLE LENDERS; AND

(2) BY POSTING THE STATEMENT IN A PROMINENT LOCATION OF THE MOBILE HOME RETAILER'S PLACE OF BUSINESS AND WEBSITE, IF ANY.

7-604.

FAILURE OF A MOBILE HOME RETAILER TO COMPLY WITH THIS SUBTITLE DOES NOT AFFECT THE VALIDITY OF AN OTHERWISE VALID FINANCING TRANSACTION.

7-605.

THE COMMISSIONER MAY ENFORCE THIS SUBTITLE BY EXERCISING ANY OF THE POWERS AUTHORIZED UNDER §§ 2-113 THROUGH 2-116 OF THE FINANCIAL INSTITUTIONS ARTICLE.

Article – Commercial Law**12-101.**

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

(H-1) “MOBILE HOME” HAS THE MEANING STATED IN § 11-501 OF THE FINANCIAL INSTITUTIONS ARTICLE.

12-115.

(c) (1) (I) [At] **EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, AT** least 10 days before [he] **A LENDER** repossesses any goods, a lender may serve a written notice on the **CONSUMER** borrower of [his] **THE LENDER’S** intention to repossess the goods.

(II) SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH, AT LEAST 45 DAYS BEFORE A LENDER REPOSSESSES A MOBILE HOME THAT IS PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD USE, THE LENDER SHALL SERVE A WRITTEN NOTICE ON THE CONSUMER BORROWER OF THE LENDER’S INTENTION TO REPOSSESS THE MOBILE HOME.

(III) THE NOTICE REQUIRED BY SUBPARAGRAPH (II) OF THIS PARAGRAPH IS NOT REQUIRED IF THE MOBILE HOME IS ABANDONED OR IF THE CONSUMER BORROWER VOLUNTARILY SURRENDERS THE MOBILE HOME TO THE LENDER.

(IV) ANY NOTICE GIVEN LESS THAN 45 DAYS BEFORE REPOSSESSION SHALL BE ACCOMPANIED BY A CERTIFICATION FROM THE LENDER IDENTIFYING THE CIRCUMSTANCES DEMONSTRATING THAT THE MOBILE HOME IS VACANT AS SET FORTH IN § 7-105(D) OF THE REAL PROPERTY ARTICLE OR THAT THE MOBILE HOME HAS BEEN SURRENDERED.

(2) The notice shall:

(i) State the default and any period at the end of which the goods will be repossessed; and

(ii) Briefly state the rights of the borrower in case the goods are repossessed.

(d) The notice may be delivered to the borrower personally or sent to [him] **THE BORROWER** at [his] **THE BORROWER'S** last known address by registered or certified mail.

12-901.

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

(H-1) "MOBILE HOME" HAS THE MEANING STATED IN § 11-501 OF THE FINANCIAL INSTITUTIONS ARTICLE.

12-921.

(c) (1) **(I) [At] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, AT least 10 days before a credit grantor repossesses any tangible personal property, the credit grantor may serve a written notice on the consumer borrower of the intention OF THE CREDIT GRANTOR to repossess the tangible personal property.**

(II) SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH, AT LEAST 45 DAYS BEFORE A CREDIT GRANTOR REPOSSESSES A MOBILE HOME THAT IS PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD USE, THE CREDIT GRANTOR SHALL SERVE A WRITTEN NOTICE ON THE CONSUMER BORROWER OF THE CREDIT GRANTOR'S INTENTION TO REPOSSESS THE MOBILE HOME.

(III) THE NOTICE REQUIRED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH IS NOT REQUIRED IF THE MOBILE HOME IS ABANDONED OR IF THE CONSUMER BORROWER VOLUNTARILY SURRENDERS THE MOBILE HOME TO THE CREDIT GRANTOR.

(IV) ANY NOTICE GIVEN LESS THAN 45 DAYS BEFORE REPOSSESSION SHALL BE ACCOMPANIED BY A CERTIFICATION FROM THE CREDIT GRANTOR IDENTIFYING THE CIRCUMSTANCES DEMONSTRATING THAT THE MOBILE HOME IS VACANT AS SET FORTH IN § 7-105(D) OF THE REAL PROPERTY ARTICLE OR THAT THE MOBILE HOME HAS BEEN SURRENDERED.

12-1001.

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

(K-1) “MOBILE HOME” HAS THE MEANING STATED IN § 11-501 OF THE FINANCIAL INSTITUTIONS ARTICLE.

12-1021.

(c) (1) **(I) [At] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, AT least 10 days before a credit grantor repossesses any tangible personal property, the credit grantor may serve a written notice on the consumer borrower of the intention to repossess the tangible personal property.**

(II) SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH, AT LEAST 45 DAYS BEFORE A CREDIT GRANTOR REPOSSESSES A MOBILE HOME THAT IS PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD USE, THE CREDIT GRANTOR SHALL SERVE A WRITTEN NOTICE ON THE CONSUMER BORROWER OF THE CREDIT GRANTOR’S INTENTION TO REPOSSESS THE MOBILE HOME.

(III) THE NOTICE REQUIRED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH IS NOT REQUIRED IF THE MOBILE HOME IS ABANDONED OR IF THE CONSUMER BORROWER VOLUNTARILY SURRENDERS THE MOBILE HOME TO THE CREDIT GRANTOR.

(IV) ANY NOTICE GIVEN LESS THAN 45 DAYS BEFORE REPOSSESSION SHALL BE ACCOMPANIED BY A CERTIFICATION FROM THE CREDIT GRANTOR IDENTIFYING THE CIRCUMSTANCES DEMONSTRATING THAT THE MOBILE HOME IS VACANT AS SET FORTH IN § 7-105(D) OF THE REAL PROPERTY ARTICLE OR THAT THE MOBILE HOME HAS BEEN SURRENDERED.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Financial Institutions

11-503.1.

(a) The Commissioner shall set by regulation the fees provided for in this subtitle.

(b) The fees established by the Commissioner under this section shall be reasonable and set in a manner that will produce funds sufficient to cover the actual direct and indirect costs of regulating licensees in accordance with the provisions of this subtitle.

(C) THE COMMISSIONER MAY SET APPLICATION AND LICENSE FEES AND INVESTIGATION FEES FOR A MORTGAGE LENDER BASED ON THE TYPE AND VOLUME OF ACTIVITY CONDUCTED BY THE MORTGAGE LENDER.

[(c)] (D) The Commissioner shall publish the fee schedule set by the Commissioner.

SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Commercial Law

14–3501.

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

(b) (1) “Business” means a sole proprietorship, partnership, corporation, association, or any other business entity, whether or not organized to operate at a profit.

(2) “Business” includes a financial institution organized, chartered, licensed, or otherwise authorized under the laws of this State, any other state, the United States, or any other country, and the parent or subsidiary of a financial institution.

(c) “Encrypted” means the protection of data in electronic or optical form using an encryption technology that renders the data indecipherable without an associated cryptographic key necessary to enable decryption of the data.

(D) “GENETIC TEST” MEANS AN ANALYSIS OF HUMAN DNA, RNA, CHROMOSOMES, PROTEINS, OR METABOLITES.

[(d)] (E) “Health information” means any information created by an entity covered by the federal Health Insurance Portability and Accountability Act of 1996 regarding an individual’s medical history, medical condition, or medical treatment or diagnosis.

[(e)] (F) (1) “Personal information” means:

(i) An individual’s first name or first initial and last name in combination with any one or more of the following data elements, when the name or the data elements are not encrypted, redacted, or otherwise protected by another method that renders the information unreadable or unusable:

1. A Social Security number, an Individual Taxpayer Identification Number, a passport number, or other identification number issued by the federal government;

2. A driver’s license number or State identification card number;

3. An account number, a credit card number, or a debit card number, in combination with any required security code, access code, or password, that permits access to an individual's financial account;

4. Health information, including information about an individual's mental health;

5. A health insurance policy or certificate number or health insurance subscriber identification number, in combination with a unique identifier used by an insurer or an employer that is self-insured, that permits access to an individual's health information; [or]

6. Biometric data of an individual generated by automatic measurements of an individual's biological characteristics such as a fingerprint, voice print, genetic print, retina or iris image, or other unique biological characteristic, that can be used to uniquely authenticate the individual's identity when the individual accesses a system or account; or

7. ACTIVITY-TRACKING DATA, INCLUDING:

A. ALL DATA COLLECTED THROUGH AN APPLICATION OR ELECTRONIC DEVICE CAPABLE OF TRACKING INDIVIDUAL ACTIVITY, BEHAVIOR, OR LOCATION; AND

B. ANY INFORMATION OR DATA DERIVED FROM DATA COLLECTED UNDER ITEM A OF THIS ITEM; OR

(ii) A user name or e-mail address in combination with a password or security question and answer that permits access to an individual's e-mail account; **OR**

(III) GENETIC INFORMATION WITH RESPECT TO AN INDIVIDUAL, INCLUDING:

1. THE GENETIC SAMPLE OF AN INDIVIDUAL;

2. A GENETIC TEST OF AN INDIVIDUAL;

3. A GENETIC TEST OF A FAMILY MEMBER OF AN INDIVIDUAL;

4. THE MANIFESTATION OF A DISEASE OR DISORDER IN A FAMILY MEMBER OF AN INDIVIDUAL;

5. ANY REQUEST FOR, OR RECEIPT OF, A GENETIC TEST, GENETIC COUNSELING, OR GENETIC EDUCATION; AND

6. ANY INFORMATION DERIVED FROM GENETIC INFORMATION WITH RESPECT TO AN INDIVIDUAL; OR

(IV) NONPUBLIC SOCIAL MEDIA INFORMATION ABOUT AN INDIVIDUAL, INCLUDING COMMUNICATIONS, POSTINGS, PICTURES, VIDEOS, CONNECTIONS BETWEEN INDIVIDUALS, CONNECTIONS BETWEEN ACCOUNTS, AND ACTIONS.

(2) “Personal information” does not include:

(i) Publicly available information that is lawfully made available to the general public from federal, State, or local government records;

(ii) Information that an individual has consented to have publicly disseminated or listed; or

(iii) Information that is disseminated or listed in accordance with the federal Health Insurance Portability and Accountability Act.

[(f)] (G) “Records” means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

14–3503.

(a) To protect personal information from unauthorized access, use, modification, or disclosure, a business that owns, **MAINTAINS**, or licenses personal information of an individual residing in the State shall implement and maintain reasonable security procedures and practices that are appropriate to the nature of the personal information owned, **MAINTAINED**, or licensed and the nature and size of the business and its operations.

14–3504.

(a) In this section:

(1) “Breach of the security of a system” means the unauthorized acquisition of **[computerized]** data that compromises the security, confidentiality, or integrity of the personal information maintained by a business; and

(2) “Breach of the security of a system” does not include the good faith acquisition of personal information by an employee or agent of a business for the purposes of the business, provided that the personal information is not used or subject to further unauthorized disclosure.

(b) (1) A business that owns or licenses computerized data that includes personal information of an individual residing in the State, when it discovers or is notified of a breach of the security of a system, shall conduct in good faith a reasonable and prompt investigation to determine the likelihood that personal information of the individual has been or will be misused as a result of the breach.

(2) [If, after the investigation is concluded,] **UNLESS** the business **REASONABLY** determines that the breach of the security of the system [creates] **DOES NOT CREATE** a likelihood that personal information has been or will be misused, the business shall notify the individual of the breach.

(3) Except as provided in subsection (d) of this section, the notification required under paragraph (2) of this subsection shall be given as soon as reasonably practicable, but not later than [45] **10** days after the business [concludes the investigation required under paragraph (1) of this subsection] **DISCOVERS OR IS NOTIFIED OF THE BREACH OF THE SECURITY OF A SYSTEM.**

(4) If after the investigation required under paragraph (1) of this subsection is concluded, the business determines that notification under paragraph (2) of this subsection is not required, the business shall maintain records that reflect its determination for 3 years after the determination is made.

(c) (1) A business that maintains computerized data that includes personal information of an individual residing in the State that the business does not own or license, when it discovers or is notified of a breach of the security of a system, shall notify, as soon as practicable, the owner or licensee of the personal information of the breach of the security of a system.

(2) Except as provided in subsection (d) of this section, the notification required under paragraph (1) of this subsection shall be given as soon as reasonably practicable, but not later than [45] **3** days after the business discovers or is notified of the breach of the security of a system.

(3) A business that is required to notify an owner or licensee of personal information of a breach of the security of a system under paragraph (1) of this subsection shall share with the owner or licensee information relative to the breach.

(d) (1) The notification required under subsections (b) and (c) of this section may be delayed:

(i) If a law enforcement agency determines that the notification will impede a criminal investigation or jeopardize homeland or national security; or

(ii) To determine the scope of the breach of the security of a system, identify the individuals affected, or restore the integrity of the system.

(2) If notification is delayed under paragraph (1)(i) of this subsection, notification shall be given as soon as reasonably practicable, but not later than [30 days] **1 DAY** after the law enforcement agency determines that it will not impede a criminal investigation and will not jeopardize homeland or national security.

(e) The notification required under subsection (b) of this section [may] **SHALL** be given:

(1) By written notice sent to the most recent address of the individual in the records of the business;

(2) By electronic mail to the most recent electronic mail address of the individual in the records of the business, if:

(i) The individual has expressly consented to receive electronic notice; or

(ii) The business conducts its business primarily through Internet account transactions or the Internet; **OR**

(3) By telephonic notice, to the most recent telephone number of the individual in the records of the business[; or

(4) By substitute notice as provided in subsection (f) of this section, if:

(i) The business demonstrates that the cost of providing notice would exceed \$100,000 or that the affected class of individuals to be notified exceeds 175,000; or

(ii) The business does not have sufficient contact information to give notice in accordance with item (1), (2), or (3) of this subsection].

(f) [Substitute notice under subsection (e)(4) of this section shall consist of] **THE NOTIFICATION REQUIRED UNDER SUBSECTION (B) OF THIS SECTION SHALL ALSO BE GIVEN BY:**

(1) Electronically mailing the notice to an individual entitled to notification under subsection (b) of this section, if the business has an electronic mail address for the individual to be notified;

(2) Conspicuous posting of the notice on the Web site of the business, if the business maintains a Web site; and

(3) Notification to statewide media.

(g) Except as provided in subsection (i) of this section, the notification required under subsection (b) of this section shall include:

(1) To the extent possible, a description of the categories of information that were, or are reasonably believed to have been, acquired by an unauthorized person, including which of the elements of personal information were, or are reasonably believed to have been, acquired;

(2) Contact information for the business making the notification, including the business' address, telephone number, and toll-free telephone number if one is maintained;

(3) The toll-free telephone numbers and addresses for the major consumer reporting agencies; and

(4) (i) The toll-free telephone numbers, addresses, and Web site addresses for:

1. The Federal Trade Commission; and
2. The Office of the Attorney General; and

(ii) A statement that an individual can obtain information from these sources about steps the individual can take to avoid identity theft.

(h) (1) Prior to giving the notification required under subsection (b) of this section and subject to subsection (d) of this section, a business shall provide notice of a breach of the security of a system to the Office of the Attorney General.

(2) THE NOTICE REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE, AT A MINIMUM:

(I) THE NUMBER OF AFFECTED INDIVIDUALS RESIDING IN THE STATE;

(II) A DESCRIPTION OF THE BREACH OF THE SECURITY OF A SYSTEM, INCLUDING HOW IT OCCURRED AND ANY VULNERABILITIES THAT WERE EXPLOITED;

(III) ANY STEPS THE BUSINESS HAS TAKEN OR PLANS TO TAKE RELATING TO THE BREACH OF THE SECURITY OF A SYSTEM; AND

(IV) A SAMPLE OF EACH FORM OF NOTICE THAT WILL BE SENT TO CONSUMERS UNDER SUBSECTIONS (E) AND (F) OF THIS SECTION.

(i) (1) In the case of a breach of the security of a system involving personal information that permits access to an individual's e-mail account under § 14-3501(e)(1)(ii) of this subtitle and no other personal information under § 14-3501(e)(1)(i) of this subtitle, the business may comply with the notification requirement under subsection (b) of this section by providing the notification in electronic or other form that directs the individual whose personal information has been breached promptly to:

(i) Change the individual's password and security question or answer, as applicable; or

(ii) Take other steps appropriate to protect the e-mail account with the business and all other online accounts for which the individual uses the same user name or e-mail and password or security question or answer.

(2) Subject to paragraph (3) of this subsection, the notification provided under paragraph (1) of this subsection may be given to the individual by any method described in this section.

(3) (i) Except as provided in subparagraph (ii) of this paragraph, the notification provided under paragraph (1) of this subsection may not be given to the individual by sending notification by e-mail to the e-mail account affected by the breach.

(ii) The notification provided under paragraph (1) of this subsection may be given by a clear and conspicuous notice delivered to the individual online while the individual is connected to the affected e-mail account from an Internet Protocol address or online location from which the business knows the individual customarily accesses the account.

(j) A waiver of any provision of this section is contrary to public policy and is void and unenforceable.

(k) Compliance with this section does not relieve a business from a duty to comply with any other requirements of federal law relating to the protection and privacy of personal information.

14-3504.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "ACCOUNT INFORMATION" MEANS ANY OF THE FOLLOWING UNENCRYPTED PERSONAL INFORMATION CONNECTED TO A PAYMENT CARD:

(i) THE FULL DATA CONTAINED IN THE MAGNETIC STRIPE OF A PAYMENT CARD;

(II) THE PRIMARY ACCOUNT NUMBER ASSOCIATED WITH THE PAYMENT CARD;

(III) THE PERSONAL IDENTIFICATION NUMBER OF A CARDHOLDER;

(IV) THE NAME OF A CARDHOLDER;

(V) THE EXPIRATION DATE OF A PAYMENT CARD; AND

(VI) THE 3- OR 4-DIGIT NUMBER CONTAINED IN THE MAGNETIC STRIPE OF A PAYMENT CARD OR PRINTED ON A PAYMENT CARD THAT IS USED TO:

1. SPECIFY ACCEPTANCE REQUIREMENTS; OR

2. VALIDATE THE PAYMENT CARD.

(3) “BREACH” MEANS THE BREACH OF THE SECURITY OF A SYSTEM, AS DEFINED IN § 14-3504 OF THIS SUBTITLE.

(4) “CARDHOLDER” MEANS A RESIDENT OF THE STATE WHO HOLDS A PAYMENT CARD ISSUED BY A FINANCIAL INSTITUTION.

(5) “ENTITY” MEANS:

(I) A FINANCIAL INSTITUTION;

(II) A BUSINESS THAT:

1. PROVIDES, OFFERS, OR SELLS GOODS OR SERVICES IN THE STATE; AND

2. PROCESSES MORE THAN 20,000 PAYMENT CARD TRANSACTIONS EACH YEAR; OR

(III) A BUSINESS THAT DIRECTLY PROCESSES OR TRANSMITS ACCOUNT INFORMATION FOR OR ON BEHALF OF ANOTHER PERSON AS PART OF A PAYMENT PROCESSING SERVICE.

(6) “FINANCIAL INSTITUTION” HAS THE MEANING STATED IN § 1-101 OF THE FINANCIAL INSTITUTIONS ARTICLE.

(7) "PAYMENT CARD" MEANS A CREDIT CARD, DEBIT CARD, OR STORED VALUE CARD.

(8) "VENDOR" MEANS A BUSINESS THAT:

(I) MANUFACTURES AND SELLS SOFTWARE OR EQUIPMENT THAT IS DESIGNED TO PROCESS, TRANSMIT, OR STORE ACCOUNT INFORMATION; OR

(II) MAINTAINS ACCOUNT INFORMATION THAT THE BUSINESS DOES NOT OWN.

(B) (1) TO PROTECT ACCOUNT INFORMATION FROM UNAUTHORIZED ACCESS, USE, MODIFICATION, OR DISCLOSURE, AN ENTITY UNDER THIS SECTION SHALL IMPLEMENT AND MAINTAIN REASONABLE SECURITY PROCEDURES AND PRACTICES THAT ARE APPROPRIATE TO:

(I) THE NATURE OF THE ACCOUNT INFORMATION THAT IS IN THE POSSESSION OR UNDER THE CONTROL OF THE ENTITY; AND

(II) THE SIZE OF THE BUSINESS AND OPERATIONS.

(2) AN ENTITY UNDER THIS SECTION MAY NOT RETAIN ACCOUNT INFORMATION MORE THAN 48 HOURS AFTER AUTHORIZATION OF A PAYMENT CARD TRANSACTION.

(C) (1) THIS SUBSECTION APPLIES TO THE REIMBURSEMENT OF REASONABLE ACTUAL COSTS INCURRED BY A FINANCIAL INSTITUTION TO MITIGATE CURRENT OR FUTURE DAMAGES RESULTING FROM A BREACH.

(2) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A BREACHED ENTITY OTHER THAN A VENDOR IS LIABLE TO A FINANCIAL INSTITUTION FOR REIMBURSEMENT IF:

(I) THE BREACHED ENTITY OTHER THAN A VENDOR VIOLATED SUBSECTION (B) OF THIS SECTION; AND

(II) THE VIOLATION WAS THE PROXIMATE CAUSE OF THE BREACH.

(3) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A VENDOR IS LIABLE TO A FINANCIAL INSTITUTION FOR REIMBURSEMENT IF:

(I) THE NEGLIGENCE OF THE VENDOR WAS THE PROXIMATE CAUSE OF THE BREACH; AND

(II) THE CLAIM OF THE FINANCIAL INSTITUTION IS NOT LIMITED BY:

1. ANOTHER PROVISION OF LAW; OR

2. A CONTRACT TO WHICH THE FINANCIAL INSTITUTION IS A PARTY.

(4) COSTS FOR WHICH A FINANCIAL INSTITUTION IS ENTITLED FOR REIMBURSEMENT UNDER THIS SUBSECTION INCLUDE REASONABLE ACTUAL COSTS INCURRED BY THE FINANCIAL INSTITUTION TO:

(I) NOTIFY CARDHOLDERS AFFECTED BY THE BREACH;

(II) CANCEL OR REISSUE PAYMENT CARDS AFFECTED BY THE BREACH; AND

(III) CLOSE OR REOPEN ACCOUNTS AFFECTED BY THE BREACH.

(D) (1) AN ENTITY OR VENDOR IS NOT LIABLE UNDER THIS SECTION IF:

(I) THE ACCOUNT INFORMATION IN THE POSSESSION OR UNDER THE CONTROL OF AN ENTITY OR VENDOR WAS ENCRYPTED AT THE TIME OF THE BREACH; OR

(II) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE ENTITY OR VENDOR:

1. WAS CERTIFIED COMPLIANT WITH THE PAYMENT CARD INDUSTRY DATA STANDARDS ADOPTED BY THE PAYMENT CARD INDUSTRY SECURITY STANDARDS COUNCIL; OR

2. HAD IMPLEMENTED AND WAS STILL MAINTAINING THE PAYMENT CARD INDUSTRY DATA STANDARDS OR SUBSTANTIALLY SIMILAR DATA SECURITY STANDARDS AT THE TIME OF THE BREACH.

(2) (I) AN ENTITY OR VENDOR SHALL BE CONSIDERED COMPLIANT WITH PARAGRAPH (1)(II) OF THIS SUBSECTION IF THE SECURITY SYSTEM OF THE ENTITY OR VENDOR WAS VALIDATED BY AN ANNUAL SECURITY ASSESSMENT THAT OCCURRED WITHIN 1 YEAR BEFORE THE BREACH.

(II) THE RESULTS OF AN ANNUAL SECURITY ASSESSMENT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH ARE IRREVOCABLE FOR THE PURPOSE OF DETERMINING LIABILITY OF AN ENTITY OR A VENDOR UNDER THIS SECTION.

(E) A FINANCIAL INSTITUTION MAY BRING AN ACTION TO RECOVER ANY COSTS, INCLUDING ATTORNEY'S FEES, FOR WHICH AN ENTITY OR A VENDOR IS LIABLE UNDER THIS SECTION.

SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Commercial Law

14–1901.

- (a) In this subtitle the following words have the meanings indicated.
- (e) (2) “Credit services business” includes [a]:

(I) A person who sells or attempts to sell written materials containing information that the person represents will enable a consumer to establish a new credit file or record; AND

(II) A DEALER, AS DEFINED IN § 15–101 OF THE TRANSPORTATION ARTICLE, WHO PARTICIPATES IN FINANCE CHARGES ASSOCIATED WITH A CONTRACT FOR THE SALE OF A VEHICLE BY THE DEALER.

14–1906.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “BUY RATE” MEANS THE LOWEST ANNUAL PERCENTAGE RATE THAT AN INDIRECT LENDER INDICATES TO A DEALER WOULD NEED TO BE A FEATURE OF A PARTICULAR CONTRACT FOR THE SALE OF A VEHICLE IN ORDER FOR THE INDIRECT LENDER TO PURCHASE THE CONTRACT FROM THE DEALER.

(3) “CONTRACT RATE” MEANS THE ANNUAL PERCENTAGE RATE IN A:

- (I) CONTRACT OFFERED FOR THE SALE OF A VEHICLE; OR**
- (II) FINAL CONTRACT FOR THE SALE OF A VEHICLE.**

(B) THIS SECTION APPLIES TO A DEALER WHO PARTICIPATES IN FINANCE CHARGES ASSOCIATED WITH A CONTRACT FOR THE SALE OF A VEHICLE BY THE DEALER.

(C) (1) BEFORE EXECUTING A FINANCING AGREEMENT ON A CONTRACT FOR THE SALE OF A VEHICLE TO A BUYER, A DEALER SHALL:

(I) IN WRITING ON A DOCUMENT THAT IS SEPARATE FROM THE FINANCING AGREEMENT, DISCLOSE TO THE BUYER ALL FINANCING OFFERS FOR WHICH THE BUYER WAS APPROVED, INCLUDING THE BUY RATE AND THE TERM IN MONTHS FOR EACH OFFER; AND

(II) IN WRITING ON A DOCUMENT THAT IS SEPARATE FROM THE FINANCING AGREEMENT AND SEPARATE FROM THE DISCLOSURE REQUIRED UNDER ITEM (1)(I) OF THIS PARAGRAPH, DISCLOSE TO THE BUYER WHETHER OR NOT THE DEALER IS BEING COMPENSATED FOR INCREASING THE CONTRACT RATE TO A HIGHER RATE THAN THE BUY RATE.

(2) THE DISCLOSURE UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION SHALL STATE IN AT LEAST 12 POINT TYPE:

(I) THE BUY RATE;

(II) THE CONTRACT RATE THAT THE DEALER IS OFFERING THE CONSUMER;

(III) THE TOTAL AMOUNT OF DEALER COMPENSATION;

(IV) THE AMOUNT OF DEALER COMPENSATION ATTRIBUTABLE TO THE DIFFERENCE BETWEEN THE BUY RATE AND THE CONTRACT RATE; AND

(V) THE TOTAL AMOUNT THAT THE CONSUMER WILL OWE DURING THE TERM OF THE FINANCING AGREEMENT ATTRIBUTABLE TO:

1. THE TOTAL AMOUNT OF DEALER COMPENSATION;

AND

2. THE AMOUNT OF DEALER COMPENSATION ATTRIBUTABLE TO THE DIFFERENCE BETWEEN THE BUY RATE AND THE CONTRACT RATE.

(3) PRIOR TO THE EXECUTION OF A FINANCING AGREEMENT ON A CONTRACT FOR THE SALE OF A VEHICLE TO A BUYER, THE DEALER SHALL OBTAIN THE BUYER'S SIGNATURE ON THE DISCLOSURES REQUIRED UNDER THIS SUBSECTION.

(D) A DEALER MAY NOT PARTICIPATE IN FINANCE CHARGES THAT WOULD RESULT IN A DIFFERENCE BETWEEN THE BUY RATE AND THE CONTRACT RATE OF MORE THAN:

(1) 2 ANNUAL PERCENTAGE RATE POINTS FOR A CONTRACT THAT HAS AN ORIGINAL SCHEDULED TERM OF UP TO 60 MONTHLY PAYMENTS; OR

(2) 1.5 ANNUAL PERCENTAGE RATE POINTS FOR A CONTRACT THAT HAS AN ORIGINAL SCHEDULED TERM OF MORE THAN 60 MONTHLY PAYMENTS.

Article – Transportation

15-311.4.

A DEALER WHO PARTICIPATES IN FINANCE CHARGES ASSOCIATED WITH A CONTRACT FOR THE SALE OF A VEHICLE BY THE DEALER IS A CREDIT SERVICE BUSINESS AS DEFINED IN § 14-901 OF THE COMMERCIAL LAW ARTICLE.

SECTION 5. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Corporations and Associations

11-803.

(A) THIS SECTION APPLIES TO:

(1) A BROKER-DEALER;

(2) A BROKER-DEALER AGENT;

(3) AN INSURANCE PRODUCER, AS DEFINED IN § 1-101 OF THE INSURANCE ARTICLE;

(4) AN INVESTMENT ADVISER;

(5) A FEDERAL COVERED ADVISER; AND

(6) AN INVESTMENT ADVISER REPRESENTATIVE.

(B) A PERSON SUBJECT TO THIS SECTION IS A FIDUCIARY AND HAS A DUTY TO ACT IN THE BEST INTEREST OF THE CUSTOMER WITHOUT REGARD TO THE FINANCIAL OR OTHER INTEREST OF THE PERSON OR FIRM PROVIDING THE ADVICE.

(C) THE COMMISSIONER MAY ADOPT REGULATIONS TO CARRY OUT THE FIDUCIARY DUTY REQUIRED UNDER THIS SECTION, INCLUDING REGULATIONS:

(1) DEFINING, REQUIRING, PROHIBITING, OR EXCLUDING AN ACT, PRACTICE, OR COURSE OF BUSINESS OF A PERSON SUBJECT TO THIS SECTION; OR

(2) DESIGNED TO PREVENT A PERSON FROM ENGAGING IN ACTS, PRACTICES, AND COURSES OF BUSINESS IN VIOLATION OF THIS SECTION.

(D) NOTHING IN THIS SECTION IMPOSES ON A BROKER-DEALER ANY BOOKS AND RECORDS REQUIREMENT THAT IS NOT IMPOSED UNDER FEDERAL LAW.

SECTION 6. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Financial Institutions

2–105.1.

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

(5) “CURRENCY EXCHANGE SERVICES” HAS THE MEANING STATED IN § 12–1101 OF THIS ARTICLE.

[(5)] (6) “Debt management services provider” has the meaning stated in § 12–901 of this article.

[(6)] (7) “Money transmission” has the meaning stated in § 12–401 of this article.

[(7)] (8) “Mortgage lender” has the meaning stated in § 11–501 of this article.

[(8)] (9) “Mortgage originator” has the meaning stated in § 11–601 of this article.

[(9)] (10) “Provide check cashing services” has the meaning stated in § 12–101 of this article.

[(10)] (11) “Sales finance company” has the meaning stated in § 11–401 of this article.

(c) (1) The Commissioner may participate in NMLS for:

(x) Sales finance companies; [and]

(xi) Consumer reporting agencies; **AND**

(XII) PERSONS WHO ARE REQUIRED TO BE LICENSED UNDER TITLE 12, SUBTITLE 11 OF THIS ARTICLE.

(2) To facilitate participation in NMLS, the Commissioner may adopt regulations that waive or modify the requirements of:

(ii) Title 12, Subtitles 1, 4, [and] 9, **AND 11** of this article with respect to providers of check cashing services, persons who engage in money transmission, [and] providers of debt management services, **AND PERSONS THAT PROVIDE CURRENCY EXCHANGE SERVICES;**

11-610.

(a) There is a Nondepository Special Fund that consists of:

(10) REVENUE RECEIVED FOR THE LICENSING OF PERSONS UNDER TITLE 12, SUBTITLE 11 OF THIS ARTICLE;

[(10)] **(11)** Revenue received for the licensing of persons under Title 7 of the Business Regulation Article;

[(11)] **(12)** Revenue received for the licensing of persons under Title 14, Subtitle 19 of the Commercial Law Article;

[(12)] **(13)** Income from the investments that the State Treasurer makes for the Fund; and

[(13)] **(14)** (i) Any other fee, examination or investigation fee or assessment, or revenue received by the Commissioner under this subtitle, Subtitles 2, 3, 4, and 5 of this title, Title 12, Subtitles 1, 4, 9, [and] 10, **AND 11** of this article, and Title 14, Subtitles 12 and 19 of the Commercial Law Article; and

(ii) Any other fee or revenue received by the State Collection Agency Licensing Board under Title 7 of the Business Regulation Article.

(b) Notwithstanding subsection (a) of this section:

(1) The Commissioner shall pay all fines and penalties collected by the Commissioner under Title 2, Subtitle 1 of this article, this subtitle, Subtitles 2, 3, 4, and 5

of this title, Title 12, Subtitles 1, 4, 9, [and] 10, AND 11 of this article, and Title 14, Subtitles 12 and 19 of the Commercial Law Article into the General Fund of the State; and

(c) The purpose of the Fund is to cover the direct and indirect costs of fulfilling the statutory and regulatory duties of the Commissioner and the State Collection Agency Licensing Board related to:

(11) TITLE 12, SUBTITLE 11 OF THIS ARTICLE;

[(11)] **(12)** Title 7 of the Business Regulation Article;

[(12)] **(13)** Title 12, Subtitles 5, 6, 9, and 10 of the Commercial Law Article;

[(13)] **(14)** Title 14, Subtitles 12 and 19 of the Commercial Law Article;

[(14)] **(15)** Title 7, Subtitles 1, 3, 4, [and] 5, AND 6 of the Real Property Article; and

[(15)] **(16)** Any other expense authorized in the State budget.

12-401.

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

(F-1) “CONTROL OF VIRTUAL CURRENCY” MEANS:

(1) WHEN USED IN REFERENCE TO A TRANSACTION OR RELATIONSHIP INVOLVING VIRTUAL CURRENCY, POWER TO EXECUTE UNILATERALLY OR PREVENT INDEFINITELY A VIRTUAL CURRENCY TRANSACTION; AND

(2) WHEN USED IN REFERENCE TO A PERSON, THE DIRECT OR INDIRECT POWER TO DIRECT THE MANAGEMENT, OPERATIONS, OR POLICIES OF THE PERSON THROUGH LEGAL OR BENEFICIAL OWNERSHIP OF VOTING POWER IN THE PERSON OR UNDER A CONTRACT, AN ARRANGEMENT, OR AN UNDERSTANDING.

(G-1) “CURRENCY” HAS THE MEANING STATED IN 31 C.F.R. § 1010.100(M).

(m) (1) “Money transmission” means the business of selling or issuing payment instruments or stored value devices, or receiving money or monetary value, for transmission to a location within or outside the United States by any means, including electronically or through the Internet.

(2) “Money transmission” includes:

- (i) A bill payer service;
- (ii) An accelerated mortgage payment service; [and]

(iii) Any informal money transfer system engaged in as a business for, or network of persons who engage as a business in, facilitating the transfer of money, **INCLUDING VIRTUAL CURRENCY**, outside the conventional financial institutions system to a location within or outside the United States; **AND**

(IV) AN ASSUMED CONTROL OF VIRTUAL CURRENCY FROM OR ON BEHALF OF A PERSON AND TO:

- 1. CREDIT THE VIRTUAL CURRENCY TO THE ACCOUNT OF ANOTHER PERSON;**
- 2. MOVE THE VIRTUAL CURRENCY FROM ONE ACCOUNT OF THE PERSON TO ANOTHER ACCOUNT OF THE SAME PERSON; OR**
- 3. RELINQUISH CONTROL OF VIRTUAL CURRENCY TO ANOTHER PERSON.**

(U) (1) "VIRTUAL CURRENCY" MEANS A DIGITAL REPRESENTATION OF VALUE THAT:

(I) MAY BE USED AS A MEDIUM OF EXCHANGE, A UNIT OF ACCOUNT, OR A STORE OF VALUE; AND

(II) IS NOT CURRENCY, WHETHER OR NOT DENOMINATED IN CURRENCY.

(2) "VIRTUAL CURRENCY" DOES NOT INCLUDE:

(I) A TRANSACTION IN WHICH A MERCHANT GRANTS, AS PART OF AN AFFINITY OR REWARDS PROGRAM, VALUE THAT CANNOT BE TAKEN FROM OR EXCHANGED WITH THE MERCHANT OR OTHERS FOR CURRENCY, BANK CREDIT, OR VIRTUAL CURRENCY; OR

(II) A DIGITAL REPRESENTATION OF VALUE ISSUED BY OR ON BEHALF OF A PUBLISHER AND USED SOLELY WITHIN AN ONLINE GAME, GAME PLATFORM, OR FAMILY OF GAMES SOLD BY THE SAME PUBLISHER OR OFFERED ON THE SAME GAME PLATFORM THAT CANNOT BE TAKEN FROM OR EXCHANGED WITH THE PUBLISHER OR OTHERS FOR CURRENCY, BANK CREDIT, OR VIRTUAL CURRENCY.

12-407.

(b) An applicant shall provide:

(6) A history of material litigation against the applicant, if any, for the past 3 years; [and]

(7) INFORMATION THAT SATISFIES THE COMMISSIONER THAT THE APPLICANT HAS CREATED IN A RECORD POLICIES AND PROCEDURES FOR THE COMPLIANCE PROGRAMS REQUIRED UNDER § 12-425(D) OF THIS SUBTITLE; AND

~~[(7)]~~ (8) Any other information that the Commissioner reasonably requires.

12-414.1.

AS PART OF A MONEY TRANSMISSION, INCLUDING BEFORE OR AFTER THE TRANSMISSION, IF A LICENSEE HAS CONTROL OF VIRTUAL CURRENCY FOR ONE OR MORE CUSTOMERS, THE LICENSEE SHALL MAINTAIN IN ITS CONTROL AN AMOUNT OF EACH TYPE OF VIRTUAL CURRENCY SUFFICIENT TO SATISFY THE AGGREGATE ENTITLEMENTS OF THE CUSTOMERS TO THE TYPE OF VIRTUAL CURRENCY.

12-414.2.

A LICENSEE MAY NOT PROVIDE MONEY TRANSMISSION SERVICES TO A CUSTOMER UNLESS THE LICENSEE IS IN FULL COMPLIANCE WITH:

(1) FEDERAL ANTI-MONEY-LAUNDERING LAWS, INCLUDING 31 C.F.R. PART 1010; AND

(2) FEDERAL CUSTOMER DUE DILIGENCE REQUIREMENTS, INCLUDING 31 C.F.R. PART 1010.

12-414.3.

A LICENSEE OR PERSON, IN THE CONDUCT OF MONEY TRANSMISSION, MAY NOT ENGAGE IN:

(1) AN UNSAFE OR UNSOUND ACT OR PRACTICE;

(2) AN UNFAIR OR DECEPTIVE ACT OR PRACTICE;

(3) FRAUD OR INTENTIONAL MISREPRESENTATION;

(4) ANOTHER DISHONEST ACT; OR

(5) MISAPPROPRIATION OF CURRENCY, VIRTUAL CURRENCY, OR OTHER VALUE HELD BY A FIDUCIARY.

12-425.

(D) A LICENSEE SHALL MAINTAIN IN A RECORD POLICIES AND PROCEDURES FOR THE FOLLOWING COMPLIANCE PROGRAMS:

(1) AN INFORMATION SECURITY AND OPERATIONAL SECURITY PROGRAM;

(2) A BUSINESS CONTINUITY PROGRAM;

(3) A DISASTER RECOVERY PROGRAM;

(4) AN ANTIFRAUD PROGRAM;

(5) AN ANTI-MONEY-LAUNDERING PROGRAM;

(6) A PROGRAM TO PREVENT FUNDING OF TERRORIST ACTIVITY; AND

(7) A PROGRAM DESIGNED TO:

(I) ENSURE COMPLIANCE WITH THIS SUBTITLE, OTHER STATE LAW, AND FEDERAL LAW THAT IS RELEVANT TO THE VIRTUAL CURRENCY BUSINESS ACTIVITY CONTEMPLATED BY THE LICENSEE WITH OR ON BEHALF OF RESIDENTS OF THE STATE; AND

(II) ASSIST THE LICENSEE IN ACHIEVING THE PURPOSES OF THIS SUBTITLE, OTHER STATE LAW, AND FEDERAL LAW.

SUBTITLE 11. CURRENCY EXCHANGES.

12-1101.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "BRANCH LOCATION" MEANS ANY LOCATION OTHER THAN THE PRINCIPAL EXECUTIVE OFFICE OF A LICENSEE OR LICENSE APPLICANT AT WHICH THE LICENSEE CONDUCTS, OR THE LICENSE APPLICANT, ON LICENSURE, WILL CONDUCT, ACTIVITIES REQUIRED TO BE LICENSED UNDER THIS SUBTITLE.

(C) “CONTROL” HAS THE MEANING STATED IN § 12-401 OF THIS TITLE.

(D) “CONTROL OF VIRTUAL CURRENCY” HAS THE MEANING STATED IN § 12-401 OF THIS TITLE.

(E) (1) “CONTROL PERSON” MEANS A PERSON THAT HAS THE POWER, DIRECTLY OR INDIRECTLY, TO DIRECT THE MANAGEMENT OR POLICIES OF A LICENSEE OR LICENSE APPLICANT, WHETHER THROUGH OWNERSHIP OF SECURITIES, BY CONTRACT, OR OTHERWISE.

(2) “CONTROL PERSON” INCLUDES A PERSON THAT:

(I) IS A GENERAL PARTNER, AN OFFICER, A DIRECTOR, OR A MEMBER, OR OCCUPIES A SIMILAR POSITION OR PERFORMS A SIMILAR FUNCTION;

(II) DIRECTLY OR INDIRECTLY HAS THE RIGHT TO VOTE 5% OR MORE OF A CLASS OF VOTING SECURITIES, OR HAS THE POWER TO SELL OR DIRECT THE SALE OF 5% OR MORE OF A CLASS OF VOTING SECURITIES, OF A LICENSEE OR LICENSE APPLICANT; OR

(III) IN THE CASE OF A PARTNERSHIP, A LIMITED PARTNERSHIP, A LIMITED LIABILITY PARTNERSHIP, A LIMITED LIABILITY COMPANY, OR ANY OTHER BUSINESS ENTITY:

1. HAS THE RIGHT TO RECEIVE ON LIQUIDATION OR DISSOLUTION OF A LICENSEE OR LICENSE APPLICANT 5% OR MORE OF THE CAPITAL OF THE LICENSEE OR LICENSE APPLICANT; OR

2. HAS CONTRIBUTED 5% OR MORE OF THE CAPITAL OF A LICENSEE OR LICENSE APPLICANT.

(F) “CURRENCY” HAS THE MEANING STATED IN 31 C.F.R. § 1010.100(M).

(G) “CURRENCY EXCHANGE SERVICES” MEANS:

(1) RECEIPT OF REVENUES FROM THE EXCHANGE OF CURRENCY OF ONE GOVERNMENT FOR CURRENCY OF ANOTHER GOVERNMENT; OR

(2) THE ASSUMED CONTROL OF VIRTUAL CURRENCY FROM OR ON BEHALF OF A PERSON, AT LEAST MOMENTARILY, TO SELL, TRADE, OR CONVERT:

(I) VIRTUAL CURRENCY FOR CURRENCY, BANK CREDIT, OR ONE OR MORE FORMS OF VIRTUAL CURRENCY; OR

(II) CURRENCY OR BANK CREDIT FOR ONE OR MORE FORMS OF VIRTUAL CURRENCY.

(H) “EXEMPT ENTITY” MEANS AN ENTITY THAT IS EXEMPT FROM ALL REQUIREMENTS OF LICENSING UNDER § 12–1102(B) AND (C) OF THIS SUBTITLE.

(I) “LICENSE” MEANS, UNLESS THE CONTEXT REQUIRES OTHERWISE, A LICENSE ISSUED BY THE COMMISSIONER TO PROVIDE CURRENCY EXCHANGE SERVICES.

(J) “LICENSEE” MEANS, UNLESS THE CONTEXT REQUIRES OTHERWISE, A PERSON THAT IS LICENSED BY THE COMMISSIONER TO PROVIDE CURRENCY EXCHANGE SERVICES.

(K) “UNIQUE IDENTIFIER” MEANS A NUMBER OR ANOTHER IDENTIFIER ASSIGNED BY NMLS.

(L) “VIRTUAL CURRENCY” HAS THE MEANING STATED IN § 12–401 OF THIS TITLE.

12–1102.

(A) THIS SUBTITLE DOES NOT APPLY TO:

(1) A BANK, TRUST COMPANY, SAVINGS BANK, SAVINGS AND LOAN ASSOCIATION, OR CREDIT UNION INCORPORATED OR CHARTERED UNDER THE LAWS OF THE STATE OR THE UNITED STATES THAT MAINTAINS ITS PRINCIPAL OFFICE IN THE STATE;

(2) AN OUT-OF-STATE BANK, AS DEFINED IN § 5–1001 OF THIS ARTICLE, HAVING A BRANCH THAT ACCEPTS DEPOSITS IN THE STATE; OR

(3) AN INSTITUTION INCORPORATED UNDER FEDERAL LAW AS A SAVINGS ASSOCIATION OR SAVINGS BANK THAT DOES NOT MAINTAIN ITS PRINCIPAL OFFICE IN THE STATE BUT HAS A BRANCH THAT ACCEPTS DEPOSITS IN THE STATE.

(B) A SUBSIDIARY OR AN AFFILIATE OF AN INSTITUTION DESCRIBED IN SUBSECTION (A) OF THIS SECTION IS EXEMPT FROM ALL REQUIREMENTS OF LICENSING UNDER THIS SUBTITLE PROVIDED THE SUBSIDIARY OR AFFILIATE:

(1) IS SUBJECT TO AUDIT OR EXAMINATION BY A REGULATORY BODY OR AGENCY OF THE STATE, THE UNITED STATES, OR THE STATE IN WHICH THE SUBSIDIARY OR AFFILIATE MAINTAINS ITS PRINCIPAL OFFICE; AND

(2) SUBMITS TO THE COMMISSIONER IN WRITING AND PRIOR TO PROVIDING CURRENCY EXCHANGE SERVICES THE FOLLOWING INFORMATION:

(I) THE SUBSIDIARY'S OR AFFILIATE'S NAME AND ADDRESS, AND THE NAMES AND ADDRESSES OF EACH:

1. OWNER WHO OWNS 5% OR MORE OF THE SUBSIDIARY OR AFFILIATE; AND

2. OFFICER, DIRECTOR, OR PRINCIPAL OF THE SUBSIDIARY OR AFFILIATE;

(II) EACH ADDRESS AT WHICH CURRENCY EXCHANGE SERVICES WILL BE PROVIDED; AND

(IV) ANY OTHER INFORMATION THAT THE COMMISSIONER REQUESTS.

(C) (1) AN EXEMPT ENTITY IS NOT SUBJECT TO §§ 12-1107 THROUGH 12-1115, INCLUSIVE, AND 12-1123 OF THIS SUBTITLE.

(2) AN EXEMPT ENTITY IS SUBJECT TO:

(I) §§ 12-1116 THROUGH 12-1122, INCLUSIVE, AND 12-1124 THROUGH 12-1128, INCLUSIVE, OF THIS SUBTITLE; AND

(III) ANY REGULATION, EXCEPT TO THE EXTENT THE REGULATION CONCERNS LICENSING, ADOPTED UNDER THIS SUBTITLE.

12-1103.

THE COMMISSIONER MAY ADOPT REGULATIONS TO CARRY OUT THIS SUBTITLE.

12-1104.

(A) ALL REVENUE RECEIVED FOR THE LICENSING OF PERSONS UNDER THIS SUBTITLE AND ANY OTHER FEE OR REVENUE RECEIVED BY THE COMMISSIONER UNDER THIS SUBTITLE SHALL BE:

(1) CREDITED TO THE NONDEPOSITORY SPECIAL FUND UNDER § 11-610 OF THIS ARTICLE; AND

(2) USED IN ACCORDANCE WITH § 11-610(C) OF THIS ARTICLE.

(B) THE COMMISSIONER SHALL PAY ALL FINES AND PENALTIES COLLECTED BY THE COMMISSIONER UNDER THIS SUBTITLE INTO THE GENERAL FUND OF THE STATE.

12-1105.

(A) A PERSON MAY NOT PROVIDE CURRENCY EXCHANGE SERVICES UNLESS THE PERSON IS LICENSED UNDER THIS SUBTITLE OR IS AN EXEMPT ENTITY.

(B) A SEPARATE LICENSE IS REQUIRED:

(1) FOR THE PRINCIPAL EXECUTIVE OFFICE OF THE APPLICANT OR LICENSEE; AND

(2) AT EACH BRANCH LOCATION AT WHICH A PERSON PROVIDES EXCHANGE SERVICES.

12-1106.

IN CONNECTION WITH AN INITIAL APPLICATION FOR A LICENSE, AND AT ANY OTHER TIME THE COMMISSIONER REQUESTS, AN APPLICANT OR LICENSEE SHALL PROVIDE TO NMLS INFORMATION CONCERNING THE APPLICANT OR LICENSEE'S IDENTITY, AS WELL AS OTHER INFORMATION THAT NMLS REQUIRES.

12-1107.

TO QUALIFY FOR A LICENSE, AN APPLICANT SHALL SATISFY THE COMMISSIONER THAT:

(1) THE APPLICANT'S BUSINESS WILL PROMOTE THE CONVENIENCE AND ADVANTAGE OF THE COMMUNITY IN WHICH THE APPLICANT'S PLACE OF BUSINESS WILL BE LOCATED; AND

(2) THE APPLICANT OR, IF THE APPLICANT IS NOT AN INDIVIDUAL, EACH OF THE OWNERS, OFFICERS, DIRECTORS, OR PRINCIPALS OF THE ENTITY:

(I) HAS SUFFICIENT EXPERIENCE, CHARACTER, FINANCIAL RESPONSIBILITY, AND GENERAL FITNESS TO:

- 1. COMMAND THE CONFIDENCE OF THE PUBLIC; AND**
- 2. WARRANT THE BELIEF THAT THE BUSINESS WILL BE OPERATED LAWFULLY, HONESTLY, FAIRLY, AND EFFICIENTLY; AND**

(II) HAS NOT COMMITTED ANY ACT AT THAT WOULD BE A GROUND FOR SUSPENSION OR REVOCATION OF A LICENSE.

12-1108.

(A) IN CONNECTION WITH AN INITIAL APPLICATION FOR A LICENSE UNDER THIS SUBTITLE, AND AT ANY OTHER TIME THE COMMISSIONER REQUIRES, AN APPLICANT OR LICENSEE SHALL PROVIDE FINGERPRINTS, AS DIRECTED BY THE COMMISSIONER, TO NMLS FOR USE BY THE FEDERAL BUREAU OF INVESTIGATION TO CONDUCT A CRIMINAL HISTORY RECORDS CHECK.

(B) AN APPLICANT OR LICENSEE REQUIRED UNDER THIS SECTION TO PROVIDE FINGERPRINTS SHALL PAY ANY PROCESSING OR OTHER REQUIRED FEE.

(C) IF THE APPLICANT OR LICENSEE IS A CORPORATION, THE FINGERPRINTING AND CRIMINAL HISTORY RECORDS CHECK REQUIREMENTS SHALL APPLY TO THE PRESIDENT, AND ANY OTHER OFFICER, DIRECTOR, PRINCIPAL, OR OWNER OF THE CORPORATION AS REQUIRED BY THE COMMISSIONER.

12-1109.

(A) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION:

(I) THE REQUIREMENTS OF FEDERAL LAW AND TITLE 4, SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS ARTICLE REGARDING THE PRIVACY OR CONFIDENTIALITY OF INFORMATION OR MATERIAL CONTINUES TO APPLY TO THE INFORMATION OR MATERIAL AFTER THE INFORMATION OR MATERIAL IS PROVIDED TO NMLS UNDER THIS SUBTITLE; AND

(II) ANY PRIVILEGE ARISING UNDER FEDERAL OR STATE LAW, INCLUDING THE RULES OF ANY FEDERAL OR STATE COURT WITH RESPECT TO INFORMATION OR MATERIAL, CONTINUES TO APPLY TO THE INFORMATION OR MATERIAL AFTER THE INFORMATION OR MATERIAL IS PROVIDED TO NMLS UNDER THIS SUBTITLE.

(2) (I) INFORMATION OR MATERIAL PROVIDED TO NMLS UNDER THIS SUBTITLE MAY BE SHARED WITH ANY STATE OR FEDERAL REGULATORY OFFICIAL THAT HAS OVERSIGHT AUTHORITY OVER PERSONS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE, INCLUDING THE FINANCIAL CRIMES ENFORCEMENT NETWORK AND THE OFFICE OF FOREIGN ASSETS CONTROL, AND ANY SUCCESSOR TO THOSE AGENCIES.

(II) INFORMATION OR MATERIAL SHARED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH DOES NOT LOSE ANY CONFIDENTIALITY OR PRIVILEGE THAT APPLIES UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(B) INFORMATION OR MATERIAL OR MATERIAL THAT IS CONFIDENTIAL OR PRIVILEGED UNDER SUBSECTION (A) IS NOT SUBJECT TO:

(1) DISCLOSURE UNDER ANY FEDERAL OR STATE LAW GOVERNING THE DISCLOSURE TO THE PUBLIC OF INFORMATION HELD BY AN OFFICER OR AGENCY OF THE FEDERAL GOVERNMENT OR A STATE THAT HAS RECEIVED THE INFORMATION OR MATERIAL; OR

(2) UNLESS THE PERSON TO WHOM THE INFORMATION OR MATERIAL PERTAINS WAIVES A PRIVILEGE HELD BY NMLS, SUBPOENA, DISCOVERY, OR ADMISSION INTO EVIDENCE IN ANY PRIVATE CIVIL LITIGATION OR ADMINISTRATIVE PROCESS.

(C) THIS SECTION SUPERSEDES THE PROVISIONS OF TITLE 4, SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS ARTICLE RELATING TO THE DISCLOSURE OF ANY INFORMATION OR MATERIAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION THAT ARE INCONSISTENT WITH SUBSECTION (A) OF THIS SECTION.

(D) THIS SECTION DOES NOT APPLY TO INFORMATION OR MATERIAL RELATING TO PUBLICLY ADJUDICATED DISCIPLINARY AND ENFORCEMENT ACTIONS AGAINST A PERSON REQUIRED TO BE LICENSED THAT IS INCLUDED IN NMLS AND DESIGNATED FOR ACCESS BY THE PUBLIC.

12-1110.

(A) (1) TO APPLY FOR A LICENSE, AN APPLICANT SHALL:

(I) COMPLETE, SIGN, AND SUBMIT TO THE COMMISSIONER AN APPLICATION MADE UNDER OATH IN THE FORM, AND IN ACCORDANCE WITH THE PROCESS, THAT THE COMMISSIONER REQUIRES THROUGH NMLS; AND

(II) PROVIDE ALL INFORMATION THAT THE COMMISSIONER REQUESTS.

(2) THE APPLICATION SHALL INCLUDE:

(I) THE APPLICANT'S NAME, THE APPLICANT'S PRINCIPAL EXECUTIVE OFFICE ADDRESS, AND, IF THE APPLICANT IS NOT AN INDIVIDUAL, THE NAME AND RESIDENCE ADDRESS OF EACH CONTROL PERSON;

(II) THE ADDRESS OF EACH BRANCH LOCATION, IF ANY;

(III) ANY OTHER INFORMATION THAT THE COMMISSIONER REQUIRES FOR AN INVESTIGATION AND FINDINGS UNDER § 12-111 OF THIS SUBTITLE; AND

(IV) INFORMATION THAT SATISFIES THE COMMISSIONER THAT THE APPLICANT HAS CREATED IN A RECORD POLICIES AND PROCEDURES FOR THE COMPLIANCE PROGRAMS REQUIRED UNDER § 12-425(D) OF THIS SUBTITLE.

(B) WITH THE APPLICATION, THE APPLICANT SHALL PAY TO THE COMMISSIONER:

(1) A NONREFUNDABLE INVESTIGATION FEE OF \$1,000; AND

(2) A NONREFUNDABLE LICENSE FEE OF \$1,000.

(C) IN ADDITION TO THE FEES REQUIRED UNDER SUBSECTION (B) OF THIS SECTION, A LICENSEE SHALL PAY TO NMLS ANY FEES THAT NMLS IMPOSES IN CONNECTION WITH AN INITIAL LICENSE.

(D) FOR THE PRINCIPAL EXECUTIVE OFFICE AND EACH BRANCH LOCATION FOR WHICH AN APPLICANT APPLIES, THE APPLICANT SHALL:

(1) SUBMIT A SEPARATE APPLICATION; AND

(2) PAY A SEPARATE INVESTIGATION FEE AND LICENSE FEE.

(E) A PERSON WHO KNOWINGLY MAKES A FALSE STATEMENT UNDER OATH ON AN APPLICATION FILED WITH THE COMMISSIONER UNDER THIS SECTION IS GUILTY OF PERJURY AND ON CONVICTION IS SUBJECT TO THE PENALTIES OF § 9-101 OF THE CRIMINAL LAW ARTICLE.

(F) SUBJECT TO SUBSECTION (C) OF THIS SECTION, AN APPLICANT FOR AN INITIAL LICENSE OR A LICENSE RENEWAL SHALL APPLY THROUGH NMLS:

(1) ON OR AFTER JULY 1, 2019; OR

(2) IF THE COMMISSIONER HAS NOT JOINED NMLS WITH RESPECT TO PERSONS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE AS OF JULY 1, 2019, ON OR AFTER THE DATE THAT THE COMMISSIONER JOINS, AS SPECIFIED BY THE COMMISSIONER BY PUBLIC NOTICE.

12-1111.

(A) WHEN AN APPLICANT FOR A LICENSE FILES THE APPLICATION AND PAYS THE FEES REQUIRED BY § 12-1110 OF THIS SUBTITLE, THE COMMISSIONER SHALL INVESTIGATE THE FACTS RELEVANT TO THE APPLICATION TO DETERMINE IF THE APPLICANT MEETS THE REQUIREMENTS OF THIS SUBTITLE.

(B) UNLESS THE COMMISSIONER AND AN APPLICANT AGREE IN WRITING TO EXTEND THE TIME, THE COMMISSIONER SHALL APPROVE OR DENY EACH APPLICATION FOR A LICENSE WITHIN 60 DAYS AFTER THE DATE ON WHICH THE COMPLETE APPLICATION IS FILED AND THE FEES ARE PAID.

(C) THE COMMISSIONER SHALL ISSUE A LICENSE TO ANY APPLICANT WHO MEETS THE REQUIREMENTS OF THIS SUBTITLE.

(D) (1) IF AN APPLICANT DOES NOT MEET THE REQUIREMENTS OF THIS SUBTITLE, THE COMMISSIONER SHALL:

(i) DENY THE APPLICATION;

(ii) NOTIFY THE APPLICANT IMMEDIATELY OF THE DENIAL;

(iii) REFUND THE LICENSE FEE; AND

(iv) RETAIN THE INVESTIGATION FEE.

(2) (i) WITHIN 10 DAYS AFTER THE COMMISSIONER DENIES AN APPLICATION, THE COMMISSIONER SHALL SEND A WRITTEN NOTICE TO THE APPLICANT STATING THE REASONS FOR THE DENIAL.

(ii) THE NOTICE SHALL BE SENT BY UNITED STATES MAIL, ELECTRONIC MAIL, OR ANY MEANS PROVIDED THROUGH NMLS TO THE ADDRESS LISTED IN THE APPLICATION.

12-1112.

(A) THE COMMISSIONER SHALL INCLUDE ON EACH LICENSE:

- (1) THE NAME OF THE LICENSEE;**
- (2) ANY TRADE NAME OR ALIAS APPROVED BY THE COMMISSIONER;**
- (3) THE ADDRESS OF THE LOCATION AT WHICH CURRENCY EXCHANGE SERVICES WILL BE PROVIDED; AND**
- (4) THE LICENSE NUMBER OR UNIQUE IDENTIFIER OF THE LICENSEE.**

(B) (1) A LICENSE AUTHORIZES THE LICENSEE TO PROVIDE CURRENCY EXCHANGE SERVICES UNDER ANY NAME STATED ON THE LICENSE AND AT THE LOCATION AT WHICH CURRENCY EXCHANGE SERVICES WILL BE PROVIDED.

(2) ONLY ONE LOCATION MAY BE MAINTAINED UNDER ANY ONE LICENSE.

(C) SUBJECT TO § 12-1105(B) OF THIS SUBTITLE, THE COMMISSIONER MAY ISSUE MORE THAN ONE LICENSE TO AN APPLICANT WHO:

- (1) CONDUCTS ACTIVITIES FOR WHICH A LICENSE IS REQUIRED AT MORE THAN ONE LOCATION;**
- (2) COMPLIES WITH § 12-1110 OF THIS SUBTITLE; AND**
- (3) OTHERWISE MEETS THE REQUIREMENTS OF THIS SUBTITLE.**

12-1113.

(A) A LICENSEE MAY SURRENDER A LICENSE BY SENDING TO THE COMMISSIONER, IN THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT THE COMMISSIONER REQUIRES, A STATEMENT THAT THE LICENSE IS SURRENDERED.

(B) IF A LICENSE IS SURRENDERED VOLUNTARILY, OR IS SUSPENDED OR REVOKED, THE COMMISSIONER MAY NOT REFUND ANY PART OF THE LICENSE FEE REGARDLESS OF THE TIME REMAINING IN THE LICENSE TERM.

(C) THE SURRENDER OF A LICENSE DOES NOT AFFECT ANY CIVIL OR CRIMINAL LIABILITY OF THE LICENSEE FOR ACTS COMMITTED BEFORE THE LICENSE WAS SURRENDERED.

12-1114.

(A) AN INITIAL LICENSE TERM SHALL:

(1) BEGIN ON THE DATE THE LICENSE IS ISSUED; AND

(2) EXPIRE ON DECEMBER 31 OF THE YEAR:

(I) IN WHICH THE LICENSE IS ISSUED, IF THE LICENSE IS ISSUED BEFORE NOVEMBER 1; OR

(II) IMMEDIATELY FOLLOWING THE YEAR IN WHICH THE LICENSE IS ISSUED, IF THE LICENSE IS ISSUED ON OR AFTER NOVEMBER 1.

(B) ON OR AFTER NOVEMBER 1 OF THE YEAR A LICENSE EXPIRES, THE LICENSE MAY BE RENEWED FOR AN ADDITIONAL 1-YEAR TERM, IF THE LICENSEE:

(1) OTHERWISE IS ENTITLED TO BE LICENSED;

(2) PAYS TO THE COMMISSIONER A RENEWAL FEE OF \$1,000;

(3) SUBMITS TO THE COMMISSIONER A RENEWAL REGISTRATION ON THE FORM THAT THE COMMISSIONER REQUIRES THROUGH NMLS; AND

(4) PAYS TO NMLS ANY FEES THAT NMLS IMPOSES IN CONNECTION WITH THE REGISTRATION.

(C) SUBJECT TO ANY REGULATIONS THE COMMISSIONER ADOPTS IN CONNECTION WITH NMLS, A RENEWAL TERM SHALL:

(1) BE FOR A PERIOD OF 1 YEAR;

(2) BEGIN ON JANUARY 1 EACH YEAR AFTER THE INITIAL TERM; AND

(3) EXPIRE ON DECEMBER 31 OF THE YEAR THE RENEWAL TERM BEGINS.

12-1115.

(A) A LICENSE IS NOT TRANSFERABLE.

(B) A LICENSEE SHALL DISPLAY THE LICENSE CONSPICUOUSLY AT THE LICENSEE'S LICENSED LOCATION.

12-1116.

(A) A LICENSEE MAY NOT CHANGE THE LOCATION FOR WHICH A LICENSE IS ISSUED UNLESS THE LICENSEE:

(1) PROVIDES TO THE COMMISSIONER, IN THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT THE COMMISSIONER REQUIRES, NOTICE OF THE PROPOSED CHANGE; AND

(2) RECEIVES THE WRITTEN CONSENT OF THE COMMISSIONER BY UNITED STATES MAIL, E-MAIL, OR ANY MEANS PROVIDED THROUGH NMLS PRIOR TO THE CHANGE.

(B) IF THE COMMISSIONER CONSENTS TO A PROPOSED CHANGE OF LOCATION, THE COMMISSIONER SHALL SEND THE LICENSEE AN AMENDED LICENSE.

12-1117.

(A) A LICENSEE SHALL KEEP THE BOOKS AND RECORDS THAT THE COMMISSIONER REQUIRES TO DETERMINE COMPLIANCE WITH THIS SUBTITLE.

(B) UNLESS A LONGER PERIOD IS EXPRESSLY REQUIRED BY STATE OR FEDERAL LAW, A LICENSEE SHALL RETAIN THE RECORDS REQUIRED UNDER THIS SUBTITLE FOR A PERIOD OF AT LEAST 2 YEARS.

(C) A LICENSEE MAY RETAIN THE RECORDS REQUIRED UNDER THIS SUBTITLE AT ANY LOCATION, PROVIDED THAT THE LICENSEE:

(1) NOTIFIES THE COMMISSIONER IN WRITING OF THE LOCATION OF THE RECORDS; AND

(2) MAKES THE RECORDS AVAILABLE AT A PLACE OF BUSINESS FOR WHICH A LICENSE HAS BEEN ISSUED OR AT THE LICENSEE'S PRINCIPAL PLACE OF BUSINESS, AS AGREED BY THE COMMISSIONER AND THE LICENSEE, WITHIN 7 DAYS AFTER A WRITTEN REQUEST FOR EXAMINATION BY THE COMMISSIONER.

(D) IN ADDITION TO ANY OTHER BOOKS AND RECORDS THAT THE COMMISSIONER MAY REQUIRE, A LICENSEE SHALL RETAIN A CHRONOLOGICAL

REGISTER OF ALL CURRENCY EXCHANGE SERVICES PROVIDED BY THE LICENSEE SHOWING:

- (1) THE NAME OF THE CUSTOMER;**
- (2) THE TRANSACTION DATE;**
- (3) THE RATE OF EXCHANGE;**
- (4) THE TYPES AND AMOUNT OF CURRENCY OR VIRTUAL CURRENCY EXCHANGED;**
- (5) THE AMOUNT OF FEES CHARGED; AND**
- (6) A COMPLETE DESCRIPTION OF THE IDENTIFICATION PRESENTED BY THE CUSTOMER.**

(E) A LICENSEE SHALL RETAIN THE RECORDS REQUIRED UNDER THIS SECTION IN ONE OF THE FOLLOWING WAYS:

- (1) THE ORIGINAL FORM;**
- (2) AN ELECTRONIC EQUIVALENT APPROVED BY THE COMMISSIONER; OR**
- (3) A MICROPHOTOGRAPHIC COPY APPROVED BY THE COMMISSIONER.**

(F) A LICENSEE SHALL MAINTAIN IN A RECORD POLICIES AND PROCEDURES FOR THE FOLLOWING COMPLIANCE PROGRAMS:

- (1) AN INFORMATION SECURITY AND OPERATIONAL SECURITY PROGRAM;**
- (2) A BUSINESS CONTINUITY PROGRAM;**
- (3) A DISASTER RECOVERY PROGRAM;**
- (4) AN ANTIFRAUD PROGRAM;**
- (5) AN ANTI-MONEY-LAUNDERING PROGRAM;**
- (6) A PROGRAM TO PREVENT FUNDING OF TERRORIST ACTIVITY; AND**

(7) A PROGRAM DESIGNED TO:

(I) ENSURE COMPLIANCE WITH THIS SUBTITLE, OTHER STATE LAWS, AND FEDERAL LAWS THAT ARE RELEVANT TO THE VIRTUAL CURRENCY BUSINESS ACTIVITY CONTEMPLATED BY THE LICENSEE WITH OR ON BEHALF OF RESIDENTS OF THE STATE; AND

(II) ASSIST THE LICENSEE IN ACHIEVING THE PURPOSES OF THIS SUBTITLE, OTHER STATE LAW, AND FEDERAL LAW.

12-1118.

(A) AT ANY TIME AND AS OFTEN AS THE COMMISSIONER CONSIDERS APPROPRIATE, THE COMMISSIONER MAY INVESTIGATE THE RECORDS AND BUSINESS OPERATIONS OF A LICENSEE OR A PERSON WHO ACTS ON BEHALF OF A LICENSEE.

(B) FOR THE PURPOSES OF THIS SECTION, THE COMMISSIONER:

(1) SHALL HAVE ACCESS TO ANY BOOKS, PAPERS, RECORDS, SAFES, OR VAULTS OF THE PERSON UNDER INVESTIGATION; AND

(2) MAY EXAMINE UNDER OATH A PERSON WHOSE TESTIMONY THE COMMISSIONER REQUIRES.

12-1119.

A LICENSEE SHALL COMPLY WITH ALL FEDERAL AND STATE LAWS CONCERNING MONEY LAUNDERING.

12-1120.

(A) (1) A LICENSEE SHALL CONSPICUOUSLY POST, IN 48-POINT OR LARGER TYPE, AT EACH PLACE OF BUSINESS AT WHICH THE LICENSEE PROVIDES CURRENCY EXCHANGE SERVICES, A NOTICE OF THE RATE OF EXCHANGE AND FEES FOR PROVIDING CURRENCY EXCHANGE SERVICES.

(2) IF A LICENSEE PROVIDES CURRENCY EXCHANGE SERVICES ON THE LICENSEE'S WEBSITE, THE WEBSITE SHALL CONSPICUOUSLY SHOW A NOTICE OF THE RATE OF EXCHANGE AND FEES FOR PROVIDING CURRENCY EXCHANGE SERVICES.

(B) A LICENSEE SHALL PROVIDE EACH CUSTOMER WITH A WRITTEN RECEIPT SUFFICIENT TO IDENTIFY:

- (1) THE TRANSACTION;**
- (2) THE LICENSEE;**
- (3) THE RATE OF EXCHANGE;**
- (4) THE AMOUNT AND TYPE OF CURRENCY OR VIRTUAL CURRENCY EXCHANGED; AND**
- (5) THE FEES CHARGED.**

12-1121.

(A) AS PART OF A CURRENCY EXCHANGE SERVICE TRANSACTION, INCLUDING BEFORE OR AFTER THE TRANSACTION, IF A LICENSEE HAS CONTROL OF VIRTUAL CURRENCY FOR ONE OR MORE CUSTOMERS, THE LICENSEE SHALL MAINTAIN IN ITS CONTROL AN AMOUNT OF EACH TYPE OF VIRTUAL CURRENCY SUFFICIENT TO SATISFY THE AGGREGATE ENTITLEMENTS OF THE CUSTOMERS TO THE TYPE OF VIRTUAL CURRENCY.

(B) A LICENSEE MAY NOT PROVIDE CURRENCY EXCHANGE SERVICES TO A CUSTOMER UNLESS:

- (1) THE LICENSEE IS IN FULL COMPLIANCE WITH:**
 - (I) FEDERAL ANTI-MONEY-LAUNDERING LAWS, INCLUDING 31 C.F.R. PART 1010; AND**
 - (II) FEDERAL CUSTOMER DUE DILIGENCE REQUIREMENTS, INCLUDING 31 C.F.R. PART 1010; AND**
- (2) THE CUSTOMER PRESENTS A FORM OF CUSTOMARILY ACCEPTABLE IDENTIFICATION, INCLUDING:**
 - (I) A VALID DRIVER'S LICENSE WITH PHOTOGRAPH ISSUED BY A STATE GOVERNMENT;**
 - (II) A VALID IDENTITY CARD WITH PHOTOGRAPH ISSUED BY A STATE GOVERNMENT;**

(III) A VALID UNITED STATES PASSPORT OR ALIEN REGISTRATION CARD; AND

(IV) A VALID MILITARY IDENTIFICATION CARD.

(C) A LICENSEE OR PERSON, IN THE CONDUCT OF VIRTUAL CURRENCY EXCHANGE SERVICES, MAY NOT ENGAGE IN:

(1) AN UNSAFE OR UNSOUND ACT OR PRACTICE;

(2) AN UNFAIR OR DECEPTIVE ACT OR PRACTICE;

(3) FRAUD OR INTENTIONAL MISREPRESENTATION;

(4) ANOTHER DISHONEST ACT; OR

(5) MISAPPROPRIATION OF CURRENCY, VIRTUAL CURRENCY, OR OTHER VALUE HELD BY A FIDUCIARY.

12-1122.

THE COMMISSIONER MAY ENFORCE THIS SUBTITLE BY ISSUING AN ORDER:

(1) TO CEASE AND DESIST AND TO TAKE AFFIRMATIVE ACTION FROM THE VIOLATION AND ANY FURTHER SIMILAR VIOLATIONS; AND

(2) REQUIRING THE VIOLATOR TO TAKE AFFIRMATIVE ACTION TO CORRECT THE VIOLATION INCLUDING THE RESTITUTION OF MONEY OR PROPERTY TO ANY PERSON AGGRIEVED BY THE VIOLATION.

12-1123.

(A) SUBJECT TO THE HEARING PROVISIONS OF § 12-1124 OF THIS SUBTITLE, THE COMMISSIONER MAY SUSPEND OR REVOKE THE LICENSE OF ANY LICENSEE IF THE LICENSEE OR ANY OWNER, DIRECTOR, OFFICER, MEMBER, PARTNER, STOCKHOLDER, EMPLOYEE, OR AGENT OF THE LICENSEE:

(1) MAKES ANY MATERIAL MISSTATEMENT IN AN APPLICATION FOR A LICENSE;

(2) IS CONVICTED UNDER THE LAWS OF THE UNITED STATES OR OF ANY OTHER STATE OF:

(I) A FELONY; OR

(II) A MISDEMEANOR THAT IS DIRECTLY RELATED TO THE FITNESS AND QUALIFICATION OF THE PERSON TO PROVIDE CURRENCY EXCHANGE SERVICES;

(3) IN CONNECTION WITH ANY CURRENCY EXCHANGE SERVICE:

(I) COMMITS ANY FRAUD;

(II) ENGAGES IN ANY ILLEGAL OR DISHONEST ACTIVITIES; OR

(III) MISREPRESENTS OR FAILS TO DISCLOSE ANY MATERIAL FACTS TO ANYONE ENTITLED TO THAT INFORMATION;

(4) VIOLATES ANY PROVISION OF THIS SUBTITLE OR ANY RULE OR REGULATION ADOPTED UNDER THIS SUBTITLE, OR ANY OTHER LAW REGULATING CURRENCY EXCHANGE SERVICES IN THE STATE; OR

(5) OTHERWISE DEMONSTRATES UNWORTHINESS, BAD FAITH, DISHONESTY, OR ANY OTHER QUALITY THAT INDICATES THAT THE BUSINESS OF THE LICENSEE HAS NOT BEEN OR WILL NOT BE CONDUCTED HONESTLY, FAIRLY, EQUITABLY, AND EFFICIENTLY.

(B) IN DETERMINING WHETHER THE LICENSE OF THE LICENSEE SHOULD BE SUSPENDED OR REVOKED FOR A REASON LISTED IN SUBSECTION (A)(2) OF THIS SECTION, THE COMMISSIONER SHALL CONSIDER:

(1) THE NATURE OF THE CRIME;

(2) THE RELATIONSHIP OF THE CRIME TO THE ACTIVITIES AUTHORIZED BY THE LICENSE;

(3) WITH RESPECT TO A FELONY, THE RELEVANCE OF THE CONVICTION TO THE FITNESS AND QUALIFICATION OF THE LICENSEE TO PROVIDE CHECK CASHING SERVICES;

(4) THE LENGTH OF TIME SINCE THE CONVICTION; AND

(5) THE BEHAVIOR AND ACTIVITIES OF THE LICENSEE SINCE THE CONVICTION.

(A) BEFORE THE COMMISSIONER TAKES ANY ACTION UNDER § 12-1122, § 12-1123, OR § 12-1127 OF THIS SUBTITLE, THE COMMISSIONER SHALL GIVE THE LICENSEE AN OPPORTUNITY FOR A HEARING BEFORE THE COMMISSIONER.

(B) NOTICE OF THE HEARING SHALL BE GIVEN AND THE HEARING SHALL BE HELD IN ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.

12-1125.

THE COMMISSIONER SHALL REPORT TO THE APPROPRIATE STATE'S ATTORNEY OR THE ATTORNEY GENERAL ANY ALLEGED CRIMINAL VIOLATION OF THIS SUBTITLE.

12-1126.

A PERSON WHO KNOWINGLY VIOLATES THIS SUBTITLE IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 3 YEARS OR A FINE NOT EXCEEDING \$5,000 OR BOTH.

12-1127.

(A) THE COMMISSIONER MAY IMPOSE A CIVIL PENALTY AGAINST A PERSON WHO VIOLATES THIS SUBTITLE IN AN AMOUNT NOT EXCEEDING:

- (1) \$10,000 FOR A FIRST OFFENSE; AND
- (2) \$25,000 FOR EACH SUBSEQUENT OFFENSE.

(B) IN DETERMINING THE AMOUNT OF CIVIL PENALTY TO BE IMPOSED UNDER SUBSECTION (A) OF THIS SECTION, THE COMMISSIONER SHALL CONSIDER THE FOLLOWING:

- (1) THE SERIOUSNESS OF THE VIOLATION;
- (2) THE GOOD FAITH OF THE VIOLATOR;
- (3) THE VIOLATOR'S HISTORY OF PREVIOUS VIOLATIONS;
- (4) THE DELETERIOUS EFFECT OF THE VIOLATION ON THE PUBLIC;
- (5) THE ASSETS OF THE VIOLATOR; AND

(6) ANY OTHER FACTOR RELEVANT TO THE DETERMINATION OF THE CIVIL PENALTY.

12-1128.

(A) A PERSON WHO IS INJURED BY A VIOLATION OF THIS SUBTITLE MAY FILE AN ACTION TO RECOVER DAMAGES OR FOR INJUNCTIVE RELIEF.

(B) A COURT MAY AWARD A PREVAILING PLAINTIFF UNDER THIS SECTION:

(1) UP TO 3 TIMES THE AMOUNT OF ACTUAL DAMAGES; AND

(2) AN AMOUNT AT LEAST EQUAL TO THE AMOUNT PAID BY THE PLAINTIFF TO THE DEFENDANT, REASONABLE ATTORNEY'S FEES, AND COSTS.

12-1129.

THIS SUBTITLE MAY NOT BE CONSTRUED TO AFFECT THE JURISDICTION OF THE SECURITIES COMMISSIONER UNDER TITLE 11 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE.

SECTION 7. AND BE IT FURTHER ENACTED, That the Maryland Office of the Attorney General and the Office of the Commissioner of Financial Regulation shall:

(1) review Title I of the National Consumer Law Center's "The Model State Consumer and Employee Justice Enforcement Act", developed in November 2015; and

(2) on or before October 1, 2019, report to the Senate Finance Committee and the House Economic Matters Committee on the potential impact on consumers and businesses of the General Assembly's adoption of Title I in legislation.

SECTION 8. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Chapter 18 of the Acts of 2017

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That:

(f) The Commission shall:

(1) assess the impact of potential changes to federal financial industry laws and regulations, budgets, and policies, including changes to:

- Act;
- (i) the Dodd–Frank Wall Street Reform and Consumer Protection
 - (ii) the Consumer Financial Protection Bureau;
 - (iii) the Securities and Exchange Commission;
 - (iv) the Commodity Futures Trading Commission;
 - (v) the Pension Benefit Guaranty Corporation;
 - (vi) the Department of Labor;
 - (vii) the Federal Reserve Board; and
 - (viii) any other federal financial regulators; [and]

(2) ASSESS THE IMPACT OF NEW DEVELOPMENTS IN FINANCIAL SERVICES THAT HAVE REVEALED NEW RISKS TO CONSUMERS; AND

[(2)] (3) provide recommendations for federal and State actions that will protect residents of the State in financial transactions and when receiving financial services.

(h) On or before December 31, 2017, [and] on or before December 31, 2018, **ON OR BEFORE DECEMBER 31, 2019, AND ON OR BEFORE DECEMBER 31, 2020**, the Commission shall submit a report on its findings and recommendations, including any legislative proposals, to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017. It shall remain effective for a period of **[2] 4** years and 1 month and, at the end of **[June 30, 2019] JUNE 30, 2021**, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Chapter 781 of the Acts of 2017

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That:

(f) The Commission shall:

(1) assess the impact of potential changes to federal financial industry laws and regulations, budgets, and policies, including changes to:

- Act;
- (i) the Dodd–Frank Wall Street Reform and Consumer Protection
 - (ii) the Consumer Financial Protection Bureau;
 - (iii) the Securities and Exchange Commission;
 - (iv) the Commodity Futures Trading Commission;
 - (v) the Pension Benefit Guaranty Corporation;
 - (vi) the Department of Labor;
 - (vii) the Federal Reserve Board; and
 - (viii) any other federal financial regulators; **[and]**

(2) ASSESS THE IMPACT OF NEW DEVELOPMENTS IN FINANCIAL SERVICES THAT HAVE REVEALED NEW RISKS TO CONSUMERS; AND

[(2)] (3) provide recommendations for federal and State actions that will protect residents of the State in financial transactions and when receiving financial services.

(h) On or before December 31, 2017, **[and]** on or before December 31, 2018, **ON OR BEFORE DECEMBER 31, 2019, AND ON OR BEFORE DECEMBER 31, 2020**, the Commission shall submit a report on its findings and recommendations, including any legislative proposals, to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017. It shall remain effective for a period of **[2] 4** years and 1 month and, at the end of **[June 30, 2019] JUNE 30, 2021**, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

SECTION 9. AND BE IT FURTHER ENACTED, That Section 8 of this Act shall take effect July 1, 2019.

SECTION 10. AND BE IT FURTHER ENACTED, That, except as provided in Section 9 of this Act, this Act shall take effect October 1, 2019.