

Chapter 29

(Senate Bill 929)

AN ACT concerning

Commissioner of Financial Regulation – Name and Organization of Office

FOR the purpose of establishing the name of a certain office under the Commissioner of Financial Regulation in the Maryland Department of Labor as the Office of Financial Regulation; designating a certain appointee of the Commissioner of Financial Regulation as the Deputy Commissioner for Depository Activities; requiring the Commissioner of Financial Regulation to appoint a Deputy Commissioner for Non-Depository Activities; and generally relating to the name and organization of the office under the Commissioner of Financial Regulation in the Maryland Department of Labor.

BY repealing and reenacting, with amendments,
Article – Business Regulation
Section 7–201
Annotated Code of Maryland
(2015 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, without amendments,
Article – Financial Institutions
Section 1–101
Annotated Code of Maryland
(2020 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,
Article – Financial Institutions
Section 2–101, 2–103, 2–110, 2–113(c), 2–119, 11–611, and 12–105.1(a)(5)
Annotated Code of Maryland
(2020 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,
Article – Real Property
Section 7–105.14(i)(1)
Annotated Code of Maryland
(2015 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section 8–403(22)
Annotated Code of Maryland
(2021 Replacement Volume and 2022 Supplement)

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

Article – Business Regulation

7–201.

There is a State Collection Agency Licensing Board in the Office of [the Commissioner of] Financial Regulation in the Department.

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 Financial Regulation in the Maryland Department of Labor.

(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) (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.

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

(l) “Includes” or “including” means includes or including by way of illustration and not by way of limitation.

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

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

(o) “Municipal area” means a municipal corporation or an unincorporated city, town, or village.

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

(q) “Nationwide Mortgage Licensing System and Registry” or “NMLS” means a multistate uniform licensing system developed and maintained by the Conference of State Bank Supervisors, or by a subsidiary or an affiliate of the Conference of State Bank Supervisors, that may be used for the licensing and registration of persons required to be licensed or registered under this article or the Commercial Law Article.

(r) “Other-state bank” means a bank chartered and primarily regulated by another state.

(s) “Other-state credit union” means a credit union chartered and primarily regulated by another state.

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

(u) “Political subdivision” means:

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

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

- (v) “Real property” includes any interest in real property.

2–101.

(A) There is a Commissioner of Financial Regulation in the Maryland Department of Labor.

(B) THERE IS AN OFFICE OF FINANCIAL REGULATION UNDER THE COMMISSIONER IN THE MARYLAND DEPARTMENT OF LABOR.

(C) THE COMMISSIONER IS THE HEAD OF THE OFFICE OF FINANCIAL REGULATION.

2–103.

(a) With the approval of the Secretary of Labor, the Commissioner shall appoint [a]:

(1) A Deputy Commissioner FOR DEPOSITORY ACTIVITIES; AND

(2) A DEPUTY COMMISSIONER FOR NON-DEPOSITORY ACTIVITIES.

(b) The Deputy [Commissioner serves] **COMMISSIONERS APPOINTED UNDER SUBSECTION (A) OF THIS SECTION SERVE** at the pleasure of the Commissioner and [is an employee] **ARE EMPLOYEES** of the Commissioner’s office.

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

(1) [State or national banking regulation or management; or] **THE DEPUTY COMMISSIONER FOR DEPOSITORY ACTIVITIES SHALL HAVE AT LEAST 5 YEARS OF EXPERIENCE IN THE REGULATION OR MANAGEMENT OF FINANCIAL INSTITUTIONS.**

(2) [The regulation or management of the business of making loans by persons of the type regulated by this article] **THE DEPUTY COMMISSIONER FOR NON-DEPOSITORY ACTIVITIES SHALL HAVE AT LEAST 5 YEARS OF EXPERIENCE IN THE REGULATION OR MANAGEMENT OF PERSONS REQUIRED TO BE LICENSED OR REGISTERED UNDER THIS ARTICLE OR THE COMMERCIAL LAW ARTICLE.**

(d) The Deputy [Commissioner is] **COMMISSIONERS APPOINTED UNDER SUBSECTION (A) OF THIS SECTION ARE** entitled to the salary provided in the State budget.

(e) In addition to any other powers and duties set forth in this article[, the]:

(1) THE Deputy Commissioner FOR DEPOSITORY ACTIVITIES has the powers and duties of the Commissioner:

[(1)] (I) To the extent delegated by the Commissioner;

[(2)] (II) If the office of the Commissioner is vacant; and

[(3)] (III) If for any reason the Commissioner is unable to perform the duties of the office; **AND**

(2) THE DEPUTY COMMISSIONER FOR NON-DEPOSITORY ACTIVITIES HAS THE POWERS AND DUTIES OF THE COMMISSIONER TO THE EXTENT DELEGATED BY THE COMMISSIONER.

2-110.

(a) The Commissioner and **THE Deputy [Commissioner] COMMISSIONERS APPOINTED UNDER § 2-103 OF THIS SUBTITLE** shall devote full time to their duties.

(b) The Commissioner and **THE Deputy [Commissioner] COMMISSIONERS APPOINTED UNDER § 2-103 OF THIS SUBTITLE** may not:

(1) Be an officer or director of any State banking institution or national banking association, or in any entity engaged in the business of making loans; or

(2) Engage in any other business relating to banks and financial institutions or lending.

2-113.

(c) For fiscal year 2001 and each fiscal year thereafter, the Governor shall include in the annual budget bill an appropriation to the **[Division] OFFICE** of Financial Regulation funding the positions necessary to implement the investigative and enforcement powers authorized under this subtitle.

2-119.

For fiscal year 2009 and each fiscal year thereafter, the Governor shall include in the annual budget bill an appropriation to the **[Division] OFFICE** of Financial Regulation for the purpose of regulating banking institutions and credit unions.

11-611.

For fiscal year 2006 and each fiscal year thereafter, the Governor shall include in the annual budget bill an appropriation to the [Division] **OFFICE** of Financial Regulation for the purpose of creating necessary positions to [implement the provisions of] **CARRY OUT** this subtitle.

12–105.1.

(a) A person may provide check cashing services without obtaining a license under this subtitle by registering each year with the Commissioner under this section if the person:

(5) Has conspicuously posted a notice with the following information, in 48 point type or larger, at each business location at which the person provides check cashing services:

(i) The fees charged for check cashing services; and

(ii) How to contact the Office of [the Commissioner of] Financial Regulation with comments or complaints; and

Article – Real Property

7–105.14.

(i) (1) There is a Foreclosed Property Registry Fund in the Office of [the Commissioner of] Financial Regulation.

Article – State Government

8–403.

This subtitle applies only to the following governmental activities and units:

(22) Financial Regulation, Office of [the Commissioner of] (§ 2–101 of the Financial Institutions Article);

SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that any changes under Section 1 of this Act to § 2–101 of the Financial Institutions Article or other statutory provisions referencing the name of the office established under the Commissioner of Financial Regulation in the Maryland Department of Labor shall be construed as a nonsubstantive revision that does not affect the powers and duties of the Commissioner or the office.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2023.

Approved by the Governor, April 11, 2023.