

SB929 Letter of Support.pdf

Uploaded by: Amy Hennen

Position: FAV

March 15, 2023

Senate Finance Committee

Chair: Senator Melony Griffith

Senate Bill 929 - Commissioner of Financial Regulation - Name and Organization of Office

Re: Letter of Support

This bill renames "The Office of the Commissioner of Financial Regulation" (or "OCFR") to "The Office of Financial Regulation" (or "OFR"). The Commissioner and staff have received feedback from stakeholders that the Office's current name is outdated, too lengthy, and proves confusing for consumers.

This renaming achieves a more concise, and all-encompassing depiction of the Office and its operations. The simplification makes it easier for consumers to identify and remember the Office, and it dovetails nicely with the Office's mission of being Maryland's Consumer Financial Protection Agency and Financial Services Regulator by protecting Marylanders through the operation of a modern financial regulatory system that promotes respect for consumers, safety and compliance, fair competition, responsible business innovation, and a strong, stable State economy.

Further, this legislation establishes the position of "Deputy Commissioner for Non-Depository Activities" by statute reflective of the breadth of the OCFR's regulatory reach and the growth of the non-bank business sphere. The existing Deputy Commissioner role will be renamed the "Deputy Commissioner for Depository Activities," reflecting its current role in the OCFR.

One-time de minimis costs to revise signage and other related items associated with the bill's changes can be absorbed within existing budgeted resources. The salary and benefits of the additional position will be covered by previously allocated funds.

The proposal to change the Office of the Commissioner of Financial Regulation (or "OCFR") to the Office of Financial Regulation (or "OFR") will have no impact on small businesses. The legislation will be beneficial because it will eliminate confusion to businesses and customers that seek out services that do not fall under the Department's jurisdiction.

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Uploaded by: Drew Jabin

Position: FAV



SB 929 – Commissioner of Financial Regulation – Name and Organization of Office

Committee: Senate Finance Committee

Date: March 15, 2023

Position: Support

The Maryland Bankers Association (MBA) **SUPPORTS** SB 929, which restructures the Office of the Commissioner of Financial Regulation (OCFR).

The Commissioner of Financial Regulation would head the Office of Financial Regulation (OFR) and would have the authority to appoint two deputy commissioners. One deputy commissioner would be responsible for overseeing depository activities, while the other deputy commissioner would be responsible for overseeing non-depository activities.

As the State regulator of financial institutions operating in Maryland, MBA and its member institutions have a great working relationship with and support this initiative by the Commissioner to streamline the operations of this Office.

This bill does not make any substantive revisions to the OCFR and accordingly, MBA urges a **FAVORABLE** report on SB 929.

The Maryland Bankers Association (MBA) represents FDIC-insured community, regional, and national banks, employing more than 30,000 Marylanders and holding more than \$181 billion in deposits in over 1,000 branches across our State. The Maryland banking industry serves about 4 million customers across the State and provides an array of financial services including residential mortgage lending, business banking, estates and trust services, consumer banking, and more.

SMGG Testimony SB929 3.15.23.pdf

Uploaded by: Karin White

Position: FAV

MELONY G. GRIFFITH
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Chair
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Legislative Policy Committee



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THE SENATE OF MARYLAND
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Testimony of Senator Melony G. Griffith in Support of Senate Bill 929
Commissioner of Financial Regulation-Name and Organization of Office
Finance Committee
Wednesday, March 15, 2023

Vice Chair Klausmeier, and members of the Senate Finance Committee, I am pleased to present Senate Bill 929.

Senate Bill 929 expressly establishes the Office of Financial Regulation (OFR) under the Commissioner of Financial Regulation within the Maryland Department of Labor (MDL). As a result, the Office of the Commissioner of Financial Regulation (OCFR) is renamed to OFR. Additionally, the bill splits the position of Deputy Commissioner into (1) Deputy of Commissioner for Depository Activities (who must have at least five years of experience in the regulation or management of financial institutions) and (2) Deputy Commissioner for Non-Depository Activities (who must have at least five years of experience in the regulation or management of persons required to be licensed or registered under the Financial Institutions Article or the Commercial Law Article).

The name change is being done after getting feedback from stakeholders and to help the public better remember the name.

The creation of the additional Deputy Commissioner will ensure the office is better able to serve the state of Maryland. The "Deputy Commissioner for Non-Depository Activities" reflects the breadth of the OCFR's regulatory reach and the growth of the non-bank activities. The existing Deputy Commissioner role will be renamed the "Deputy Commissioner for Depository Activities," more accurately reflecting its current role in the OCFR.

The crossfile bill, HB379, passed out of the House last week unanimously (132-0).

A staff member from the Office of the Commissioner of Financial Regulation, Amy Hennen, is here today to speak in support of the bill, and she can also provide the Committee with information about the bill.