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February 14, 2023

Hon. Chair Griffith and the Members of the Senate Finance Committee,

My name is Cory Ruppensberger. I am the sole owner of a small mortgage company located and licensed here in Maryland by the Commissioner of Financial Regulation (the "Commissioner"). My company uses only 4 licensed mortgage loan officer/originators. We also employ a licensed third party loan processor and support MD based title and appraisal companies with our mortgage loan volume.

I write to express my support for the passage of **SB307** which would authorize the Commissioner to license individual loan originators as independent contractors, but only to provide mortgage services through one licensed mortgage company.

I believe that such a measure will have a positive effect particularly on small operators like my company by offering increased flexibility. It has been exceedingly difficult particularly for small mortgage companies to maintain viable businesses. Last year, 2021, saw a serious downturn in mortgage applications across the country. Maryland was no exception. With the Federal Reserve continuing to raise interest rates, this year does not look much more promising than last.

Any help we could receive in keeping overhead down such as **SB307** would be much appreciated. Indeed, it may mean the difference whether numerous small Maryland businesses can remain in business or fail. These small mortgage broker and lending businesses also indirectly support numerous local Maryland businesses such as title and appraisal services. If one of these businesses were to fail it will negatively impact industry partners as well.

We see no negative impact on industry standards. In order to obtain and maintain a license, the independent contractors will have to complete the same educational prerequisites, take the same exam and exhibit the same financial and character requirements as W-2 employee loan originators. Accordingly, we do not see any negative impact on consumer borrowers. In fact, keeping more small companies afloat increases the menu of choices consumers have for their mortgage needs. Many of the larger corporate organizations are not locally headquartered and aren't able to establish community ties in areas such as affordable lending initiatives.

For all those reasons and more, we urge passage of **SB307**. Thank you for listening.

Very truly yours,

Charles A. Cory Ruppensberger IV
Best Loan Choice, Inc.