

# SENATE BILL 33

I1

(PRE-FILED)

71r0098  
CF HB 142

---

By: **Chair, Finance Committee (By Request – Departmental – Labor, Licensing and Regulation)**

Requested: October 3, 2016

Introduced and read first time: January 11, 2017

Assigned to: Finance

---

Committee Report: Favorable

Senate action: Adopted

Read second time: January 20, 2017

---

## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Financial Institutions – Mortgage Lenders – Examinations and Records**

3 FOR the purpose of extending the interval within which the Commissioner of Financial  
4 Regulation must conduct examinations of certain mortgage lender licensees; altering  
5 the minimum time period for which a mortgage lender licensee must retain certain  
6 records; and generally relating to the regulation of mortgage lenders.

7 BY repealing and reenacting, with amendments,  
8 Article – Financial Institutions  
9 Section 11–513 and 11–515(a)  
10 Annotated Code of Maryland  
11 (2011 Replacement Volume and 2016 Supplement)

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

14 **Article – Financial Institutions**

15 11–513.

16 (a) Each licensee shall keep and make available to the Commissioner at the  
17 licensee's place of business any books and records that the Commissioner, by rule or  
18 regulation, requires to enable the Commissioner to enforce:

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (1) This subtitle;

2 (2) Any rule or regulation adopted under this subtitle; and

3 (3) Any other provision regulating the application, making, brokering, or  
4 servicing of mortgage loans under Titles 12 through 14 of the Commercial Law Article.

5 (b) Subject to approval by the Commissioner, nothing in this section is to be  
6 construed to prohibit a licensee from maintaining duplicate records or electronic  
7 equivalents at the licensee's place of business.

8 (c) Notwithstanding subsection (a) of this section, on approval of the  
9 Commissioner, a licensee need not keep at the licensee's place of business any books and  
10 records otherwise required by the Commissioner under subsection (a) of this section if the  
11 licensee:

12 (1) Makes the books and records available to the Commissioner at the  
13 licensee's place of business within 5 business days of the Commissioner's official request;  
14 and

15 (2) Retains the records for at least ~~[25]~~ **61** months in a storage facility  
16 disclosed to the Commissioner.

17 11-515.

18 (a) (1) The Commissioner shall examine the business of each licensee:

19 (i) In accordance with a schedule established by the Commissioner;  
20 and

21 (ii) At any other time that the Commissioner reasonably considers  
22 necessary.

23 (2) The schedule established by the Commissioner under paragraph (1)(i)  
24 of this subsection shall:

25 (i) Take into account:

26 1. The length of time the licensee has been engaged in  
27 business as a mortgage lender;

28 2. Any prior violations by the licensee of the mortgage  
29 lending law or regulations;

30 3. The nature and number of any complaints made against  
31 the licensee; and

