

# SENATE BILL 929

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CF HB 379

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By: **Senator Griffith**

Introduced and read first time: February 16, 2023

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Commissioner of Financial Regulation – Name and Organization of Office**

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

11 BY repealing and reenacting, with amendments,  
12 Article – Business Regulation  
13 Section 7–201  
14 Annotated Code of Maryland  
15 (2015 Replacement Volume and 2022 Supplement)

16 BY repealing and reenacting, without amendments,  
17 Article – Financial Institutions  
18 Section 1–101  
19 Annotated Code of Maryland  
20 (2020 Replacement Volume and 2022 Supplement)

21 BY repealing and reenacting, with amendments,  
22 Article – Financial Institutions  
23 Section 2–101, 2–103, 2–110, 2–113(c), 2–119, 11–611, and 12–105.1(a)(5)  
24 Annotated Code of Maryland  
25 (2020 Replacement Volume and 2022 Supplement)

26 BY repealing and reenacting, with amendments,  
27 Article – Real Property

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 7–105.14(i)(1)  
2 Annotated Code of Maryland  
3 (2015 Replacement Volume and 2022 Supplement)

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

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

11 **Article – Business Regulation**

12 7–201.

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

15 **Article – Financial Institutions**

16 1–101.

17 (a) In this article, unless the context clearly requires otherwise, the following  
18 words have the meanings indicated.

19 (b) “Address” means post office address, including, if applicable, street and  
20 number, municipal area or county, state, and, if outside of the United States, country.

21 (c) “Any state” means:

22 (1) Any state, possession, or territory of the United States;

23 (2) The District of Columbia; or

24 (3) The Commonwealth of Puerto Rico.

25 (d) “Banking institution” means an institution that is incorporated under the  
26 laws of this State as a State bank, trust company, or savings bank.

27 (e) “Charter” has the meaning stated in § 1–101 of the Corporations and  
28 Associations Article.

29 (f) “Commercial bank” means an institution that is incorporated under the laws  
30 of this State as a State bank or trust company.

1 (g) “Commissioner” means the Commissioner of Financial Regulation in the  
2 Maryland Department of Labor.

3 (h) “County” means a county of this State and, unless otherwise indicated,  
4 Baltimore City.

5 (i) “Credit union” means a credit union that is incorporated under the laws of this  
6 State as a credit union.

7 (j) “Financial institution” means any financial institution of the type supervised  
8 under this article, whether or not State-chartered.

9 (k) (1) “Foreign bank” means any financial institution or other institution that  
10 engages in banking activities that are usual in connection with the business of banking in  
11 the nations in which the institution is organized or operates.

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

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

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

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

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

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

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

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

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

32 (t) “Person” means an individual, receiver, trustee, guardian, personal  
33 representative, fiduciary, or representative of any kind and any partnership, firm,

1 association, corporation, or other entity.

2 (u) “Political subdivision” means:

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

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

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

7 2–101.

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

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

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

14 2–103.

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

17 (1) **A Deputy Commissioner FOR DEPOSITORY ACTIVITIES; AND**

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

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

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

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

27 (2) [The regulation or management of the business of making loans by  
28 persons of the type regulated by this article] **THE DEPUTY COMMISSIONER FOR**  
29 **NON-DEPOSITORY ACTIVITIES SHALL HAVE AT LEAST 5 YEARS OF EXPERIENCE IN**

1 **THE REGULATION OR MANAGEMENT OF PERSONS REQUIRED TO BE LICENSED OR**  
2 **REGISTERED UNDER THIS ARTICLE OR THE COMMERCIAL LAW ARTICLE.**

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

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

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

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

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

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

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

16 2-110.

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

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

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

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

25 2-113.

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

30 2-119.

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

4 11-611.

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

9 12-105.1.

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

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

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

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

### 19 **Article – Real Property**

20 7-105.14.

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

### 23 **Article – State Government**

24 8-403.

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

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

28 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General  
 29 Assembly that any changes under Section 1 of this Act to § 2-101 of the Financial  
 30 Institutions Article or other statutory provisions referencing the name of the office

1 established under the Commissioner of Financial Regulation in the Maryland Department  
2 of Labor shall be construed as a nonsubstantive revision that does not affect the powers  
3 and duties of the Commissioner or the office.

4 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
5 1, 2023.