

HOUSE BILL 182

I1, C2

71r0076

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

Introduced and read first time: January 19, 2017

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Commissioner of Financial Regulation and State Collection Agency Licensing**
3 **Board – Licensees – Revisions**

4 FOR the purpose of requiring certain licensees to obtain and maintain a certain unique
5 identifier and transfer licensing information to the Nationwide Mortgage Licensing
6 System and Registry (NMLS) during a certain time period established by the
7 Commissioner of Financial Regulation; requiring the Commissioner to notify certain
8 licensees of a certain transfer period and provide instructions for the transfer of
9 licensing information to NMLS at least a certain number of days before the transfer
10 period begins; requiring, on or after a certain date, applicants for certain initial
11 licenses and license renewals to apply for an initial license or license renewal
12 through NMLS; altering the requirements an applicant for certain licenses must
13 meet; altering the contents of applications for certain licenses; providing that a
14 separate license is required for certain locations of a person who does business as a
15 collection agency, engages in business as a sales finance company, or provides check
16 cashing services; altering certain fees for certain licenses; requiring the State
17 Collection Agency Licensing Board to issue a license to a certain applicant; requiring
18 certain applicants to submit a separate application, pay separate fees, and file a
19 separate bond for certain locations; altering the circumstances under which the
20 Board is required to approve or deny a certain application; requiring the Board to
21 take certain actions if an applicant for a certain license does not meet certain
22 requirements; authorizing certain licensees to hold more than one license under
23 certain circumstances; altering the term of certain licenses; establishing and altering
24 certain requirements for the renewal of certain licenses; altering the circumstances
25 under which certain licenses may be required to expire on a staggered basis; altering
26 the process by which certain licensees may surrender a license; prohibiting the Board
27 from refunding any part of a license fee under certain circumstances; authorizing the
28 Board to enter into certain information-sharing agreements with certain agencies
29 under certain circumstances; authorizing the Board to exchange certain information
30 about collection agencies with certain agencies; providing that the requirements

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 under certain federal and State laws regarding the confidentiality of information or
2 material provided to NMLS, and any privilege arising out of federal or state law,
3 shall continue to apply after the information or material has been disclosed to NMLS;
4 authorizing the sharing of certain information and material with certain officials
5 without the loss of privilege or confidentiality protections provided by federal or
6 certain State laws; prohibiting certain information or material from being subject to
7 disclosure, subpoena, discovery, or admission into evidence under certain
8 circumstances; authorizing the Commissioner to participate in NMLS for certain
9 persons; authorizing the Commissioner to adopt regulations that waive or modify the
10 requirements of certain provisions of law to facilitate participation in NMLS;
11 extending the term of certain licenses until a certain date, under certain
12 circumstances; altering the circumstances under which the Commissioner is
13 required to approve or deny certain applications; altering the actions the
14 Commissioner must take after denying certain applications; altering the information
15 that the Commissioner must include on certain licenses; altering the circumstances
16 under which the Commissioner may issue more than one license to certain
17 applicants; prohibiting the Commissioner from refunding any part of the fee for
18 certain licenses under certain circumstances; altering the manner in which certain
19 licensees may change the location for which a license is issued; requiring the
20 Commissioner to send the licensee an amended license if the Commissioner approves
21 the proposed change of location; requiring the Commissioner to investigate certain
22 facts for a certain purpose under certain circumstances; repealing a requirement that
23 certain applicants or licensees provide fingerprints for certain purposes; repealing a
24 provision of law that exempts a certain licensee that applies for more than one license
25 from providing fingerprints for a certain purpose for more than one application;
26 requiring certain applicants, licensees, and agents to provide fingerprints to NMLS
27 for a certain purpose, under certain circumstances; requiring the Commissioner to
28 refund the license fee of a certain applicant if the applicant does not meet certain
29 requirements; providing that only one location may be maintained under a certain
30 license; defining certain terms; altering certain definitions; repealing a certain
31 definition; making certain conforming, clarifying, and stylistic changes; providing for
32 the construction of certain provisions of this Act; and generally relating to licensing
33 requirements for persons licensed by the Commissioner of Financial Regulation and
34 the State Collection Agency Licensing Board.

35 BY repealing and reenacting, with amendments,
36 Article – Business Regulation
37 Section 7–101, 7–301, 7–302, 7–302.1(a), and 7–303 through 7–306
38 Annotated Code of Maryland
39 (2015 Replacement Volume and 2016 Supplement)

40 BY repealing
41 Article – Business Regulation
42 Section 7–307
43 Annotated Code of Maryland
44 (2015 Replacement Volume and 2016 Supplement)

1 BY adding to
 2 Article – Business Regulation
 3 Section 7–307 and 7–307.1
 4 Annotated Code of Maryland
 5 (2015 Replacement Volume and 2016 Supplement)

6 BY repealing and reenacting, with amendments,
 7 Article – Financial Institutions
 8 Section 1–101(q), 2–105.1, 11–201, 11–204, 11–206 through 11–209, 11–210, 11–211,
 9 11–401, 11–403, 11–404, 11–407 through 11–412, 11–501(o), 11–506.1,
 10 11–601(s), 12–101, 12–105, 12–107(a), 12–108 through 12–110, 12–111
 11 through 12–113, 12–408, 12–901, 12–904, 12–906, 12–908 through 12–913,
 12 and 12–915
 13 Annotated Code of Maryland
 14 (2011 Replacement Volume and 2016 Supplement)

15 BY adding to
 16 Article – Financial Institutions
 17 Section 11–203.1, 11–203.2, 11–209.1, 11–412.1, 12–107.1, and 12–110.1
 18 Annotated Code of Maryland
 19 (2011 Replacement Volume and 2016 Supplement)

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

22 **Article – Business Regulation**

23 7–101.

24 (a) In this title the following words have the meanings indicated.

25 (b) “Board” means the State Collection Agency Licensing Board.

26 (c) **“BRANCH LOCATION” MEANS ANY LOCATION OTHER THAN THE**
 27 **PRINCIPAL EXECUTIVE OFFICE OF A LICENSEE OR LICENSE APPLICANT AT WHICH A**
 28 **PERSON DOES BUSINESS AS A COLLECTION AGENCY OR, ON LICENSURE, WILL DO**
 29 **BUSINESS AS A COLLECTION AGENCY, IN THE STATE OR WITH A PERSON IN THE**
 30 **STATE.**

31 [(c)] (D) “Collection agency” means a person who engages directly or indirectly
 32 in the business of:

33 (1) (i) collecting for, or soliciting from another, a consumer claim; or

34 (ii) collecting a consumer claim the person owns, if the claim was in
 35 default when the person acquired it;

1 (2) collecting a consumer claim the person owns, using a name or other
2 artifice that indicates that another party is attempting to collect the consumer claim;

3 (3) giving, selling, attempting to give or sell to another, or using, for
4 collection of a consumer claim, a series or system of forms or letters that indicates directly
5 or indirectly that a person other than the owner is asserting the consumer claim; or

6 (4) employing the services of an individual or business to solicit or sell a
7 collection system to be used for collection of a consumer claim.

8 [(d)] (E) “Commissioner” means the Commissioner of Financial Regulation.

9 [(e)] (F) “Consumer claim” means a claim that:

10 (1) is for money owed or said to be owed by a resident of the State; and

11 (2) arises from a transaction in which, for a family, household, or personal
12 purpose, the resident sought or got credit, money, personal property, real property, or
13 services.

14 (G) (1) “CONTROL PERSON” MEANS A PERSON WHO HAS THE POWER,
15 DIRECTLY OR INDIRECTLY, TO DIRECT THE MANAGEMENT OR POLICIES OF A
16 COLLECTION AGENCY, WHETHER THROUGH OWNERSHIP OF SECURITIES, BY
17 CONTRACT, OR OTHERWISE.

18 (2) “CONTROL PERSON” INCLUDES A PERSON WHO:

19 (I) IS A GENERAL PARTNER, AN OFFICER, A DIRECTOR, OR A
20 MEMBER OF A COLLECTION AGENCY, OR OCCUPIES A SIMILAR POSITION OR
21 PERFORMS A SIMILAR FUNCTION;

22 (II) DIRECTLY OR INDIRECTLY HAS THE RIGHT TO VOTE 10% OR
23 MORE OF A CLASS OF VOTING SECURITIES, OR HAS THE POWER TO SELL OR DIRECT
24 THE SALE OF 10% OR MORE OF A CLASS OF VOTING SECURITIES OF A COLLECTION
25 AGENCY; OR

26 (III) IN THE CASE OF A PARTNERSHIP, A LIMITED PARTNERSHIP,
27 A LIMITED LIABILITY PARTNERSHIP, A LIMITED LIABILITY COMPANY, OR ANY OTHER
28 BUSINESS ENTITY:

29 1. HAS THE RIGHT TO RECEIVE ON LIQUIDATION OR
30 DISSOLUTION OF A COLLECTION AGENCY 10% OR MORE OF THE CAPITAL OF THE
31 COLLECTION AGENCY; OR

1 **2. HAS CONTRIBUTED 10% OR MORE OF THE CAPITAL OF**
 2 **A COLLECTION AGENCY.**

3 **[(f)] (H)** “License” means a license issued by the Board to do business as a
 4 collection agency.

5 **[(g)] (I)** “Licensed collection agency” means a person who is licensed by the
 6 Board to do business as a collection agency.

7 **(J) “NMLS” MEANS A MULTISTATE UNIFORM LICENSING SYSTEM**
 8 **DEVELOPED AND MAINTAINED BY THE CONFERENCE OF STATE BANK**
 9 **SUPERVISORS, OR BY A SUBSIDIARY OR AN AFFILIATE OF THE CONFERENCE OF**
 10 **STATE BANK SUPERVISORS, THAT MAY BE USED FOR THE LICENSING OF PERSONS**
 11 **REQUIRED TO BE LICENSED BY THE BOARD.**

12 **(K) “UNIQUE IDENTIFIER” MEANS A NUMBER OR ANOTHER IDENTIFIER**
 13 **ASSIGNED BY NMLS.**

14 7-301.

15 (a) Except as otherwise provided in this title, a person must have a license
 16 whenever the person does business as a collection agency in the State.

17 (b) This section does not apply to:

18 (1) a regular employee of a creditor while the employee is acting under the
 19 general direction and control of the creditor to collect a consumer claim that the creditor
 20 owns; or

21 (2) a regular employee of a licensed collection agency while the employee is
 22 acting within the scope of employment.

23 **(C) A SEPARATE LICENSE IS REQUIRED FOR THE PRINCIPAL EXECUTIVE**
 24 **OFFICE AND EACH BRANCH LOCATION OF A PERSON WHO DOES BUSINESS AS A**
 25 **COLLECTION AGENCY.**

26 **(D) DURING THE TIME PERIOD ESTABLISHED BY THE COMMISSIONER**
 27 **UNDER SUBSECTION (E) OF THIS SECTION, EACH LICENSEE SHALL:**

28 **(1) OBTAIN AND MAINTAIN A VALID UNIQUE IDENTIFIER ISSUED BY**
 29 **NMLS WHEN AN ACCOUNT IS CREATED WITH NMLS; AND**

30 **(2) TRANSFER LICENSING INFORMATION TO NMLS.**

1 **(E) (1) THE COMMISSIONER SHALL ESTABLISH A TIME PERIOD THAT IS**
2 **NOT LESS THAN 2 MONTHS WITHIN WHICH A LICENSEE MUST TRANSFER LICENSING**
3 **INFORMATION TO NMLS.**

4 **(2) THE TIME PERIOD THAT THE COMMISSIONER ESTABLISHES**
5 **UNDER THIS SUBSECTION SHALL BEGIN ON OR AFTER JULY 1, 2017.**

6 **(3) AT LEAST 30 DAYS BEFORE THE TRANSFER PERIOD BEGINS, THE**
7 **COMMISSIONER SHALL:**

8 **(I) NOTIFY ALL LICENSEES OF THE TRANSFER PERIOD; AND**

9 **(II) PROVIDE INSTRUCTIONS FOR THE TRANSFER OF LICENSING**
10 **INFORMATION TO NMLS.**

11 **(F) SUBJECT TO SUBSECTION (D) OF THIS SECTION, AN APPLICANT FOR AN**
12 **INITIAL LICENSE OR A LICENSE RENEWAL SHALL APPLY FOR THE INITIAL LICENSE**
13 **OR LICENSE RENEWAL THROUGH NMLS:**

14 **(1) ON OR AFTER JULY 1, 2017; OR**

15 **(2) IF THE COMMISSIONER HAS NOT JOINED NMLS WITH RESPECT**
16 **TO COLLECTION AGENCIES AS OF JULY 1, 2017, ON OR AFTER THE DATE THAT THE**
17 **COMMISSIONER JOINS, AS SPECIFIED BY THE COMMISSIONER BY PUBLIC NOTICE.**

18 7-302.

19 **(a) [(1)] An applicant for a license shall:**

20 **[(i)] (1) submit [to the Board an] A COMPLETED application [on]**
21 **IN the form, AND IN ACCORDANCE WITH THE PROCESS, that the Board [provides]**
22 **REQUIRES; [and]**

23 **[(ii)] (2) pay to the Board:**

24 **[1.] (I) [an] A NONREFUNDABLE application fee in the**
25 **amount set by the Board; and**

26 **[2.] (II) [an] A NONREFUNDABLE investigation fee in the**
27 **amount set by the Board; AND**

28 **(3) PROVIDE ALL THE INFORMATION THAT THE BOARD REQUESTS.**

1 [(2) The fees authorized under this subsection may not exceed a total of
2 \$900 for a 2-year term.]

3 (b) An application shall be made under oath **AND SHALL INCLUDE:**

4 **(1) THE APPLICANT'S NAME, PRINCIPAL EXECUTIVE OFFICE**
5 **ADDRESS, TELEPHONE NUMBER, E-MAIL ADDRESS, AND WEB SITE ADDRESSES, IF**
6 **ANY;**

7 **(2) THE ADDRESS OF EACH BRANCH LOCATION, IF ANY;**

8 **(3) THE FEDERAL EMPLOYER IDENTIFICATION NUMBER OR SOCIAL**
9 **SECURITY NUMBER OF THE APPLICANT, AS APPLICABLE;**

10 **(4) THE STATE OF FORMATION AND THE DATE OF FORMATION OF THE**
11 **APPLICANT IF THE APPLICANT IS A BUSINESS ENTITY;**

12 **(5) THE NAME AND RESIDENCE ADDRESS OF EACH CONTROL PERSON;**

13 **(6) THE NAME AND ADDRESS OF THE PRINCIPAL CONTACT FOR**
14 **CONSUMER COMPLAINTS;**

15 **(7) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE**
16 **APPLICANT'S RESIDENT AGENT; AND**

17 **(8) ANY OTHER INFORMATION THAT THE BOARD REQUESTS.**

18 (c) If an applicant wishes to do business as a collection agency at [more than 1
19 place] **A BRANCH LOCATION**, the applicant shall submit a separate application and pay a
20 separate application fee **AND INVESTIGATION FEE** for each [place] **BRANCH LOCATION**.

21 [(d) An application fee is nonrefundable.

22 (e) Before a license expires, the licensee periodically may renew the license for
23 additional 2-year terms, if the licensee:

24 (1) otherwise is entitled to be licensed;

25 (2) pays to the Board a renewal fee in an amount, not exceeding \$900, set
26 by the Board;

27 (3) submits to the Board a renewal application on a form required by the
28 Board; and

1 (4) files with the Board a bond or bond continuation certificate as required
2 under § 7–304 of this subtitle.]

3 (D) IN ADDITION TO ANY OTHER REQUIREMENT FOR LICENSURE UNDER
4 THIS SUBTITLE, AN APPLICANT FOR A LICENSE SHALL FILE WITH THE BOARD A
5 SURETY BOND AS REQUIRED UNDER § 7–304 OF THIS SUBTITLE.

6 (E) THE BOARD SHALL ISSUE A LICENSE TO EACH APPLICANT WHO MEETS
7 THE REQUIREMENTS OF THIS SUBTITLE.

8 7–302.1.

9 (a) [Subject to § 7–302(a)(2) and (e)(2) of this subtitle, the] THE Board shall set
10 by regulation the fees provided for in this subtitle.

11 7–303.

12 (a) Within 60 days after an applicant submits [an] A COMPLETE application for
13 a license and pays the [application fee] FEES REQUIRED BY § 7–302 OF THIS SUBTITLE,
14 the Board shall approve or deny the application.

15 (b) To qualify for a license, an applicant shall satisfy the Board that the applicant
16 is of good moral character and has sufficient financial responsibility, business experience,
17 and general fitness to:

18 (1) engage in business as a collection agency;

19 (2) warrant the belief that the business will be conducted lawfully,
20 honestly, fairly, and efficiently; and

21 (3) command the confidence of the public.

22 (c) The Board may deny an application for a license to any person who:

23 (1) has committed any act that would be a ground for reprimand,
24 suspension, or revocation of a license under this subtitle; or

25 (2) otherwise fails to meet the requirements for licensure.

26 (D) IF AN APPLICANT DOES NOT MEET THE REQUIREMENTS OF THIS
27 SUBTITLE, THE BOARD SHALL:

28 (1) DENY THE APPLICATION; AND

29 (2) IMMEDIATELY NOTIFY THE APPLICANT OF THE DENIAL.

1 **[(d)] (E)** (1) The denial of an application under this section is subject to the
2 hearing provisions of § 7–309 of this subtitle.

3 (2) An applicant who seeks a hearing on a license application denial shall
4 file a written request for a hearing within 45 days following receipt of the notice to the
5 applicant of the applicant’s right to a hearing.

6 7–304.

7 (a) **[(1)]** An applicant for a license shall execute a surety bond for the benefit of
8 any member of the public who has a loss or other damage as a result of a violation of this
9 title or the Maryland Consumer Debt Collection Act by the applicant or an agent or
10 employee of the applicant.

11 **[(2)] (B)** The surety bond shall be:

12 **[(i)] (1)** in a form that the Board approves;

13 **[(ii)] (2)** with a surety that the Board approves; and

14 **[(iii)] (3)** in the amount of \$5,000.

15 **[(3)] (C)** The total liability of a surety on a bond under this section may
16 not exceed the amount of the bond, regardless of the number or amount of claims against
17 the bond.

18 **[(4)] (D)** If the amount of claims against a bond exceeds the amount of the
19 bond, the surety:

20 **[(i)] (1)** shall pay the amount of the bond to the Board for
21 distribution to claimants; and

22 **[(ii)] (2)** then is relieved of liability under the bond.

23 **[(b)** The Board shall issue a license to each applicant who meets the requirements
24 of this subtitle.]

25 7–305.

26 (a) A license authorizes the licensee to do business as a collection agency at only
27 [1 place of business] **THE LICENSED LOCATION**.

28 (b) **[A SUBJECT TO § 7–301(C) OF THIS SUBTITLE, A** licensee may hold more
29 than 1 license under this title.

1 7-306.

2 [(a) (1) A license issued on or before September 30, 1997, expires on December
3 31 of the year in which it was issued.

4 (2) A license issued on or after October 1, 1997, expires on December 31 in
5 each odd-numbered year after December 31, 1997.]

6 (A) AN INITIAL LICENSE TERM SHALL:

7 (1) BEGIN ON THE DATE THE LICENSE IS ISSUED; AND

8 (2) EXPIRE ON DECEMBER 31 OF THE YEAR:

9 (I) IN WHICH THE LICENSE IS ISSUED, IF THE LICENSE IS
10 ISSUED BEFORE NOVEMBER 1; OR

11 (II) IMMEDIATELY FOLLOWING THE YEAR IN WHICH THE
12 LICENSE IS ISSUED, IF THE LICENSE IS ISSUED ON OR AFTER NOVEMBER 1.

13 (B) ON OR AFTER NOVEMBER 1 OF THE YEAR IN WHICH A LICENSE EXPIRES,
14 THE LICENSE MAY BE RENEWED FOR AN ADDITIONAL 1-YEAR TERM, IF THE
15 LICENSEE:

16 (1) IS OTHERWISE IS ENTITLED TO BE LICENSED;

17 (2) PAYS TO THE BOARD A NONREFUNDABLE RENEWAL FEE SET BY
18 THE BOARD;

19 (3) SUBMITS A RENEWAL APPLICATION IN THE FORM AND IN
20 ACCORDANCE WITH THE PROCESS THAT THE BOARD REQUIRES; AND

21 (4) FILES AS PART OF THE APPLICATION A SURETY BOND AS
22 REQUIRED UNDER § 7-304 OF THIS SUBTITLE.

23 [(b)] (C) [The Secretary] TO THE EXTENT REQUIRED OR PERMITTED BY
24 NMLS, THE BOARD may determine that licenses issued under this subtitle shall expire
25 on a staggered basis.

26 (D) A LICENSEE MAY NOT RENEW A LICENSE UNLESS, BEFORE THE
27 SUBMISSION OF THE LICENSE RENEWAL APPLICATION, THE LICENSEE HAS
28 TRANSFERRED THE LICENSEE'S LICENSING INFORMATION TO NMLS IN
29 ACCORDANCE WITH § 7-301(D) OF THIS SUBTITLE.

1 [7-307.

2 (a) A licensee may surrender a license by giving the Board written notice that the
3 license is surrendered.

4 (b) Surrender of a license does not affect:

5 (1) the civil or criminal liability of the licensee for an act committed before
6 surrender of the license; or

7 (2) the obligation of a claim that the licensee lawfully acquired before the
8 surrender.]

9 **7-307.**

10 (A) A LICENSEE MAY SURRENDER A LICENSE BY SENDING TO THE BOARD IN
11 THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT THE BOARD REQUIRES A
12 STATEMENT THAT THE LICENSE IS SURRENDERED.

13 (B) IF A LICENSE IS SURRENDERED VOLUNTARILY, OR IS SUSPENDED OR
14 REVOKED, THE BOARD MAY NOT REFUND ANY PART OF THE LICENSE FEE
15 REGARDLESS OF THE TIME REMAINING IN THE LICENSE TERM.

16 (C) THE SURRENDER OF A LICENSE DOES NOT AFFECT ANY CIVIL OR
17 CRIMINAL LIABILITY OF THE LICENSEE FOR ACTS COMMITTED BEFORE THE LICENSE
18 WAS SURRENDERED.

19 **7-307.1.**

20 (A) (1) THE REQUIREMENTS UNDER ANY FEDERAL LAW AND TITLE 4,
21 SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS ARTICLE REGARDING THE
22 PRIVACY OR CONFIDENTIALITY OF INFORMATION OR MATERIAL PROVIDED TO
23 NMLS, AND ANY PRIVILEGE ARISING UNDER FEDERAL OR STATE LAW, INCLUDING
24 THE RULES OF ANY FEDERAL OR STATE COURT WITH RESPECT TO THAT
25 INFORMATION OR MATERIAL, SHALL CONTINUE TO APPLY TO THAT INFORMATION
26 OR MATERIAL AFTER THE INFORMATION OR MATERIAL HAS BEEN DISCLOSED TO
27 NMLS.

28 (2) THE INFORMATION AND MATERIAL MAY BE SHARED WITH ALL
29 STATE AND FEDERAL REGULATORY OFFICIALS HAVING AUTHORITY OVER THE DEBT
30 COLLECTION INDUSTRY, INCLUDING THE FINANCIAL CRIMES ENFORCEMENT
31 NETWORK AND THE OFFICE OF FOREIGN ASSETS CONTROL, AND ANY SUCCESSOR
32 TO THESE AGENCIES, WITHOUT THE LOSS OF PRIVILEGE OR THE LOSS OF

1 CONFIDENTIALITY PROTECTIONS PROVIDED BY FEDERAL LAW OR TITLE 4,
2 SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS ARTICLE.

3 (B) THE BOARD MAY:

4 (1) ENTER INTO INFORMATION SHARING AGREEMENTS WITH ANY
5 FEDERAL OR STATE REGULATORY AGENCY HAVING AUTHORITY OVER COLLECTION
6 AGENCIES OR WITH ANY FEDERAL OR STATE LAW ENFORCEMENT AGENCY,
7 INCLUDING THE FINANCIAL CRIMES ENFORCEMENT NETWORK AND THE OFFICE OF
8 FOREIGN ASSETS CONTROL, AND ANY SUCCESSOR TO THESE AGENCIES, PROVIDED
9 THAT THE AGREEMENTS PROHIBIT THE AGENCIES FROM DISCLOSING ANY SHARED
10 INFORMATION WITHOUT THE PRIOR WRITTEN CONSENT FROM THE BOARD
11 REGARDING DISCLOSURE OF THE PARTICULAR INFORMATION; AND

12 (2) EXCHANGE INFORMATION ABOUT COLLECTION AGENCIES WITH
13 ANY FEDERAL OR STATE REGULATORY AGENCY HAVING AUTHORITY OVER
14 COLLECTION AGENCIES OR WITH ANY FEDERAL OR STATE LAW ENFORCEMENT
15 AGENCY.

16 (C) INFORMATION OR MATERIAL THAT IS SUBJECT TO A PRIVILEGE OR
17 CONFIDENTIALITY UNDER SUBSECTION (A) OF THIS SECTION MAY NOT BE SUBJECT
18 TO:

19 (1) DISCLOSURE UNDER ANY FEDERAL OR STATE LAW GOVERNING
20 THE DISCLOSURE TO THE PUBLIC OF INFORMATION HELD BY AN OFFICER OR
21 AGENCY OF THE FEDERAL GOVERNMENT OR A STATE THAT HAS RECEIVED THE
22 INFORMATION OR MATERIAL; OR

23 (2) SUBPOENA, DISCOVERY, OR ADMISSION INTO EVIDENCE, IN ANY
24 PRIVATE CIVIL LITIGATION OR ADMINISTRATIVE PROCESS, UNLESS, WITH RESPECT
25 TO ANY PRIVILEGE HELD BY NMLS, THE PERSON TO WHOM THE INFORMATION OR
26 MATERIAL PERTAINS WAIVES, IN WHOLE OR IN PART, THAT PRIVILEGE.

27 (D) ANY PROVISIONS OF TITLE 4, SUBTITLES 1 THROUGH 5 OF THE
28 GENERAL PROVISIONS ARTICLE RELATING TO THE DISCLOSURE OF ANY
29 INFORMATION OR MATERIAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION THAT
30 ARE INCONSISTENT WITH SUBSECTION (A) OF THIS SECTION SHALL BE SUPERSEDED
31 BY THE REQUIREMENTS OF THIS SECTION.

32 (E) THIS SECTION DOES NOT APPLY TO INFORMATION OR MATERIAL
33 RELATING TO PUBLICLY ADJUDICATED DISCIPLINARY AND ENFORCEMENT ACTIONS
34 AGAINST A DEBT COLLECTION AGENCY THAT IS INCLUDED IN NMLS AND
35 DESIGNATED FOR ACCESS BY THE PUBLIC.

Article – Financial Institutions

1

2 1–101.

3 (q) “Nationwide Mortgage Licensing System and Registry” **OR** “**NMLS**” means
4 a multistate uniform licensing system developed and maintained by the Conference of State
5 Bank Supervisors, or by a subsidiary or an affiliate of the Conference of State Bank
6 Supervisors, that may be used for the licensing of persons required to be licensed under
7 this article.

8 2–105.1.

9 (a) (1) In this section the following words have the meanings indicated.

10 (2) **“COLLECTION AGENCY” HAS THE MEANING STATED IN § 7–101 OF**
11 **THE BUSINESS REGULATION ARTICLE.**

12 (3) **“CREDIT SERVICES BUSINESS” HAS THE MEANING STATED IN §**
13 **14–1901 OF THE COMMERCIAL LAW ARTICLE.**

14 (4) **“DEBT MANAGEMENT SERVICES PROVIDER” HAS THE MEANING**
15 **STATED IN § 12–901 OF THIS ARTICLE.**

16 [(2)] (5) “Money transmission” has the meaning stated in § 12–401 of this
17 article.

18 [(3)] (6) “Mortgage lender” has the meaning stated in § 11–501 of this
19 article.

20 [(4)] (7) “Mortgage originator” has the meaning stated in § 11–601 of this
21 article.

22 (8) **“PROVIDE CHECK CASHING SERVICES” HAS THE MEANING**
23 **STATED IN § 12–101 OF THIS ARTICLE.**

24 (9) **“SALES FINANCE COMPANY” HAS THE MEANING STATED IN §**
25 **11–401 OF THIS ARTICLE.**

26 (b) The Commissioner may adopt and enforce regulations reasonably necessary
27 to carry out the authority and responsibility of the office of Commissioner.

28 (c) (1) The Commissioner may participate in [the establishment and
29 implementation of a multistate automated licensing system] **NMLS** for:

- 1 **(I) COLLECTION AGENCIES;**
- 2 **(II) DEBT MANAGEMENT SERVICES PROVIDERS;**
- 3 **[(i)] (III) Mortgage lenders;**
- 4 **[(ii)] (IV) Mortgage originators; [and]**
- 5 **[(iii)] (V) Persons who engage in money transmission;**
- 6 **(VI) PERSONS WHO ARE REQUIRED TO BE LICENSED UNDER**
7 **TITLE 11, SUBTITLE 2 OF THIS ARTICLE;**
- 8 **(VII) PERSONS WHO ARE REQUIRED TO BE LICENSED UNDER**
9 **TITLE 11, SUBTITLE 3 OF THIS ARTICLE;**
- 10 **(VIII) PERSONS WHO ARE REQUIRED TO BE LICENSED UNDER**
11 **TITLE 12, SUBTITLE 1 OF THIS ARTICLE;**
- 12 **(IX) PERSONS WHO ARE REQUIRED TO BE LICENSED UNDER**
13 **TITLE 14, SUBTITLE 19 OF THE COMMERCIAL LAW ARTICLE; AND**
- 14 **(X) SALES FINANCE COMPANIES.**
- 15 (2) To facilitate [implementation of a multistate automated licensing
16 system] **PARTICIPATION IN NMLS**, the Commissioner may adopt regulations that waive
17 or modify the requirements of:
- 18 (i) Title 11, Subtitles 4, 5, and 6 of this article with respect to **SALES**
19 **FINANCE COMPANIES**, mortgage lenders, and mortgage originators; [and]
- 20 (ii) Title 12, [Subtitle] **SUBTITLES 1, 4, AND 9** of this article with
21 respect to **PROVIDERS OF CHECK CASHING SERVICES**, persons who engage in money
22 transmission, **AND PROVIDERS OF DEBT MANAGEMENT SERVICES;**
- 23 **(III) TITLE 11, SUBTITLE 2 OF THIS ARTICLE;**
- 24 **(IV) TITLE 11, SUBTITLE 3 OF THIS ARTICLE;**
- 25 **(V) TITLE 7 OF THE BUSINESS REGULATION ARTICLE WITH**
26 **RESPECT TO COLLECTION AGENCIES; AND**
- 27 **(VI) TITLE 14, SUBTITLE 19 OF THE COMMERCIAL LAW**
28 **ARTICLE.**

1 11-201.

2 (a) In this subtitle the following words have the meanings indicated.

3 (B) **“BRANCH LOCATION” MEANS ANY LOCATION OTHER THAN THE**
4 **PRINCIPAL EXECUTIVE OFFICE OF A LICENSEE OR LICENSE APPLICANT AT WHICH**
5 **THE LICENSEE CONDUCTS, OR THE LICENSE APPLICANT, ON LICENSURE, WILL**
6 **CONDUCT, ACTIVITIES REQUIRED TO BE LICENSED UNDER THIS SUBTITLE.**

7 (C) (1) **“CONTROL PERSON” MEANS A PERSON WHO HAS THE POWER,**
8 **DIRECTLY OR INDIRECTLY, TO DIRECT THE MANAGEMENT OR POLICIES OF A**
9 **LICENSEE OR LICENSE APPLICANT, WHETHER THROUGH OWNERSHIP OF**
10 **SECURITIES, BY CONTRACT, OR OTHERWISE.**

11 (2) **“CONTROL PERSON” INCLUDES A PERSON WHO:**

12 (I) **IS A GENERAL PARTNER, AN OFFICER, OR A DIRECTOR OF A**
13 **LICENSEE OR LICENSE APPLICANT, OR OCCUPIES A SIMILAR POSITION OR**
14 **PERFORMS A SIMILAR FUNCTION;**

15 (II) **DIRECTLY OR INDIRECTLY HAS THE RIGHT TO VOTE 10% OR**
16 **MORE OF A CLASS OF VOTING SECURITIES, OR HAS THE POWER TO SELL OR DIRECT**
17 **THE SALE OF 10% OR MORE OF A CLASS OF VOTING SECURITIES OF A LICENSEE OR**
18 **LICENSE APPLICANT; OR**

19 (III) **IN THE CASE OF A PARTNERSHIP, A LIMITED PARTNERSHIP,**
20 **A LIMITED LIABILITY PARTNERSHIP, A LIMITED LIABILITY COMPANY, OR ANY OTHER**
21 **BUSINESS ENTITY:**

22 1. **HAS THE RIGHT TO RECEIVE ON LIQUIDATION OR**
23 **DISSOLUTION OF A LICENSEE OR LICENSE APPLICANT 10% OR MORE OF THE**
24 **CAPITAL OF THE LICENSEE OR LICENSE APPLICANT; OR**

25 2. **HAS CONTRIBUTED 10% OR MORE OF THE CAPITAL OF**
26 **A LICENSEE OR LICENSE APPLICANT.**

27 [(b)] (D) **“License” means a license issued by the Commissioner under this**
28 **subtitle to make loans under the Maryland Consumer Loan Law.**

29 [(c)] (E) **“Loan” means any loan or advance of money or credit made under Title**
30 **12, Subtitle 3 of the Commercial Law Article, the Maryland Consumer Loan Law – Credit**
31 **Provisions.**

1 **[(d)] (F)** “Maryland Consumer Loan Law” means this subtitle and Title 12,
2 Subtitle 3 of the Commercial Law Article.

3 **[(e)] (G)** “Person” includes an individual, corporation, business trust, statutory
4 trust, estate, trust, partnership, association, two or more persons having a joint or common
5 interest, or any other legal or commercial entity.

6 **(H) “UNIQUE IDENTIFIER” MEANS A NUMBER OR ANOTHER IDENTIFIER**
7 **ASSIGNED BY NMLS.**

8 **11-203.1.**

9 **(A) UNLESS A PERSON IS LICENSED BY THE COMMISSIONER, THE PERSON**
10 **MAY NOT:**

11 **(1) MAKE A LOAN; OR**

12 **(2) IN ANY WAY USE ANY ADVANTAGE PROVIDED BY THE MARYLAND**
13 **CONSUMER LOAN LAW.**

14 **(B) A SEPARATE LICENSE IS REQUIRED FOR THE PRINCIPAL EXECUTIVE**
15 **OFFICE OF THE LICENSE APPLICANT OR LICENSEE AND EACH BRANCH LOCATION.**

16 **(C) DURING THE TIME PERIOD ESTABLISHED BY THE COMMISSIONER**
17 **UNDER SUBSECTION (D) OF THIS SECTION, EACH LICENSEE SHALL:**

18 **(1) OBTAIN AND MAINTAIN A VALID UNIQUE IDENTIFIER ISSUED BY**
19 **NMLS WHEN AN ACCOUNT IS CREATED WITH NMLS;**

20 **(2) TRANSFER LICENSING INFORMATION TO NMLS; AND**

21 **(3) PAY TO THE COMMISSIONER A LICENSE EXTENSION FEE**
22 **CALCULATED IN ACCORDANCE WITH SUBSECTION (D)(5) OF THIS SECTION.**

23 **(D) (1) THE COMMISSIONER SHALL ESTABLISH A TIME PERIOD THAT IS**
24 **NOT LESS THAN 2 MONTHS WITHIN WHICH A LICENSEE MUST TRANSFER LICENSING**
25 **INFORMATION TO NMLS.**

26 **(2) THE TIME PERIOD THAT THE COMMISSIONER ESTABLISHES**
27 **UNDER THIS SUBSECTION SHALL BEGIN ON OR AFTER JULY 1, 2017.**

28 **(3) AT LEAST 30 DAYS BEFORE THE TRANSFER PERIOD BEGINS, THE**
29 **COMMISSIONER SHALL:**

1 (I) NOTIFY ALL LICENSEES OF THE TRANSFER PERIOD; AND

2 (II) PROVIDE INSTRUCTIONS FOR THE TRANSFER OF
3 LICENSING INFORMATION TO NMLS.

4 (4) FOR EACH LICENSEE THAT COMPLIES WITH SUBSECTION (C) OF
5 THIS SECTION, THE TERM OF THE LICENSEE'S LICENSE SHALL EXTEND TO
6 DECEMBER 31 OF THE YEAR IN WHICH THE LICENSE OTHERWISE WOULD HAVE
7 EXPIRED.

8 (5) THE LICENSE EXTENSION FEE REQUIRED UNDER SUBSECTION
9 (C)(3) OF THIS SECTION IS NONREFUNDABLE AND, BASED ON THE ANNUAL LICENSE
10 FEE, SHALL BE PRORATED TO THE NUMBER OF DAYS BETWEEN THE DATE THE
11 LICENSE OTHERWISE WOULD HAVE EXPIRED AND DECEMBER 31 OF THE SAME YEAR.

12 (E) SUBJECT TO SUBSECTION (C) OF THIS SECTION, AN APPLICANT FOR AN
13 INITIAL LICENSE OR A LICENSE RENEWAL SHALL APPLY FOR THE INITIAL LICENSE
14 OR LICENSE RENEWAL THROUGH NMLS:

15 (1) ON OR AFTER JULY 1, 2017; OR

16 (2) IF THE COMMISSIONER HAS NOT JOINED NMLS WITH RESPECT
17 TO PERSONS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE AS OF JULY 1, 2017,
18 ON OR AFTER THE DATE THAT THE COMMISSIONER JOINS, AS SPECIFIED BY THE
19 COMMISSIONER BY PUBLIC NOTICE.

20 11-203.2.

21 (A) (1) THE REQUIREMENTS UNDER ANY FEDERAL LAW AND TITLE 4,
22 SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS ARTICLE REGARDING THE
23 PRIVACY OR CONFIDENTIALITY OF INFORMATION OR MATERIAL PROVIDED TO
24 NMLS, AND ANY PRIVILEGE ARISING UNDER FEDERAL OR STATE LAW, INCLUDING
25 THE RULES OF ANY FEDERAL OR STATE COURT WITH RESPECT TO THAT
26 INFORMATION OR MATERIAL, SHALL CONTINUE TO APPLY TO THAT INFORMATION
27 OR MATERIAL AFTER THE INFORMATION OR MATERIAL HAS BEEN DISCLOSED TO
28 NMLS.

29 (2) THE INFORMATION AND MATERIAL MAY BE SHARED WITH ALL
30 STATE AND FEDERAL REGULATORY OFFICIALS HAVING OVERSIGHT AUTHORITY
31 OVER PERSONS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE, INCLUDING THE
32 FINANCIAL CRIMES ENFORCEMENT NETWORK AND THE OFFICE OF FOREIGN
33 ASSETS CONTROL, AND ANY SUCCESSOR TO THESE AGENCIES, WITHOUT THE LOSS
34 OF PRIVILEGE OR THE LOSS OF CONFIDENTIALITY PROTECTIONS PROVIDED BY

1 FEDERAL LAW OR TITLE 4, SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS
2 ARTICLE.

3 (B) INFORMATION OR MATERIAL THAT IS SUBJECT TO A PRIVILEGE OR
4 CONFIDENTIALITY UNDER SUBSECTION (A) OF THIS SECTION MAY NOT BE SUBJECT
5 TO:

6 (1) DISCLOSURE UNDER ANY FEDERAL OR STATE LAW GOVERNING
7 THE DISCLOSURE TO THE PUBLIC OF INFORMATION HELD BY AN OFFICER OR
8 AGENCY OF THE FEDERAL GOVERNMENT OR A STATE THAT HAS RECEIVED THE
9 INFORMATION OR MATERIAL; OR

10 (2) SUBPOENA, DISCOVERY, OR ADMISSION INTO EVIDENCE, IN ANY
11 PRIVATE CIVIL LITIGATION OR ADMINISTRATIVE PROCESS, UNLESS, WITH RESPECT
12 TO ANY PRIVILEGE HELD BY NMLS, THE PERSON TO WHOM THE INFORMATION OR
13 MATERIAL PERTAINS WAIVES, IN WHOLE OR IN PART, THAT PRIVILEGE.

14 (C) ANY PROVISIONS OF TITLE 4, SUBTITLES 1 THROUGH 5 OF THE
15 GENERAL PROVISIONS ARTICLE RELATING TO THE DISCLOSURE OF ANY
16 INFORMATION OR MATERIAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION THAT
17 ARE INCONSISTENT WITH SUBSECTION (A) OF THIS SECTION SHALL BE SUPERSEDED
18 BY THE REQUIREMENTS OF THIS SECTION.

19 (D) THIS SECTION DOES NOT APPLY TO INFORMATION OR MATERIAL
20 RELATING TO PUBLICLY ADJUDICATED DISCIPLINARY AND ENFORCEMENT ACTIONS
21 AGAINST A PERSON REQUIRED TO BE LICENSED UNDER THIS SUBTITLE THAT IS
22 INCLUDED IN NMLS AND DESIGNATED FOR ACCESS BY THE PUBLIC.

23 11-204.

24 (a) [Unless a person is licensed by the Commissioner, the person may not:

25 (1) Make a loan; or

26 (2) In any way use any advantage provided by the Maryland Consumer
27 Loan Law.

28 (b) (1) A separate license is required for each place of business where a person
29 makes a loan or transacts any business under the Maryland Consumer Loan Law.

30 (2)] A person may not:

1 **[(i)] (1)** Receive any application for a loan or allow any note or
2 contract for a loan to be signed at any place of business for which the person does not have
3 a license;

4 **[(ii)] (2)** Conduct any business under the Maryland Consumer
5 Loan Law under a name different from the name that appears on the person's license; or

6 **[(iii)] (3)** Evade the application of this section by any device,
7 subterfuge, or pretense of any kind.

8 **[(3)] (B)** This [subsection] **SECTION** does not prohibit a licensee from
9 accommodating a borrower, at the borrower's request, by making a loan by mail because of
10 the borrower's sickness or hours of employment or for similar reasons.

11 **[(4)] (C)** Notwithstanding [paragraphs (2) and (3) of this subsection]
12 **SUBSECTIONS (A) AND (B) OF THIS SECTION**, for a loan that is to be secured by
13 residential real property:

14 **[(i)] (1)** A licensee may solicit and accept an application for a loan:

15 **[1.] (I)** By mail;

16 **[2.] (II)** By telephone or other electronic means; or

17 **[3.] (III)** At any location requested by the prospective
18 borrower;

19 **[(ii)] (2)** Except as provided in [subparagraph (iii) of this
20 paragraph] **ITEM (3) OF THIS SUBSECTION**, the loan closing shall be conducted at:

21 **[1.] (I)** The lender's licensed location;

22 **[2.] (II)** The office of an attorney representing the licensee,
23 the borrower, the title company, or title insurer in connection with the loan; or

24 **[3.] (III)** The office of the title insurer or title agency
25 performing closing services in connection with the loan; and

26 **[(iii)] (3)** A licensee may conduct the loan closing at another location
27 at the written request of the borrower or the borrower's designee to accommodate the
28 borrower because of the borrower's sickness.

29 11-206.

30 (a) (1) To apply for a license, an applicant shall [sign and]:

1 **(I) COMPLETE, SIGN, AND** submit to the Commissioner [a verified]
2 **AN** application [on] **MADE UNDER OATH IN** the form, **AND IN ACCORDANCE WITH THE**
3 **PROCESS**, that the Commissioner requires; **AND**

4 **(II) PROVIDE ALL THE INFORMATION THAT THE**
5 **COMMISSIONER REQUESTS.**

6 (2) The application shall include:

7 (i) The applicant's name [and address], **THE APPLICANT'S**
8 **PRINCIPAL EXECUTIVE OFFICE ADDRESS**, and, if the applicant is not an individual, the
9 [names] **NAME** and [addresses] **RESIDENCE ADDRESS** of each [of its principal owners and
10 each of its officers, directors, or members] **CONTROL PERSON**;

11 (ii) The address [at which the business is to be conducted] **OF EACH**
12 **BRANCH LOCATION, IF ANY**; and

13 (iii) Any other pertinent information that the Commissioner requires
14 for an investigation and findings under § 11–207 of this subtitle.

15 (b) With the application, the applicant shall pay to the Commissioner:

16 (1) An investigation fee of \$100; and

17 (2) A license fee of[:

18 (i) \$1,700 if the applicant applies for a license to be issued on or
19 after January 1 and on or before December 31 of an even-numbered year;

20 (ii) Effective January 1, 1999, \$850 if the applicant applies for a
21 license to be issued on or after January 1 and on or before December 31 of an odd-numbered
22 year; or

23 (iii) \$1,700 if the applicant applies for a license to be issued on or
24 after October 1, 1997 and on or before December 31, 1997] **\$850.**

25 (c) (1) With the application, the applicant shall file [with the Commissioner]
26 a surety bond.

27 (2) The surety bond filed under this subsection shall run to this State for
28 the benefit of this State and of any person who has a cause of action against the applicant
29 under the Maryland Consumer Loan Law.

30 (3) The surety bond shall be:

1 (i) In an amount equal to twice the amount of the largest loan that
2 may be made under the Maryland Consumer Loan Law;

3 (ii) With sureties that the Commissioner approves; and

4 (iii) Conditioned that the applicant will comply with the Maryland
5 Consumer Loan Law and will pay to this State or to any person any money that the
6 applicant may owe to this State or to that person under the Maryland Consumer Loan Law.

7 (d) For **THE PRINCIPAL EXECUTIVE OFFICE AND** each **BRANCH LOCATION**
8 license for which an applicant applies, the applicant shall:

9 (1) Submit a separate application;

10 (2) Pay a separate investigation fee and license fee; and

11 (3) File a separate bond.

12 11–207.

13 (a) When an applicant for a license files the application and bond and pays the
14 fees required by § 11–206 of this subtitle, the Commissioner shall investigate the facts
15 relevant to the application to determine if the applicant meets the requirements of this
16 subtitle.

17 (b) Unless the Commissioner and an applicant agree in writing to extend the
18 time, the Commissioner shall approve or deny each application for a license within 60 days
19 after the date [when the application and bond are filed and the fees are paid] **ON WHICH**
20 **THE COMPLETE APPLICATION IS FILED, THE FEES ARE PAID, AND THE SURETY BOND**
21 **IS FILED.**

22 (c) The Commissioner shall issue a license to any applicant who meets the
23 requirements of this subtitle.

24 (d) (1) If an applicant does not meet the requirements of this subtitle, the
25 Commissioner shall:

26 (i) Deny the application;

27 (ii) Notify the applicant immediately of this fact;

28 (iii) Return the bond filed under § 11–206 of this subtitle;

29 (iv) Refund the license fee; and

30 (v) Keep the investigation fee.

1 [(2) Within 10 days after the Commissioner denies an application, the
2 Commissioner shall:

3 (i) File in the Commissioner's office written findings and a summary
4 of the evidence supporting them; and

5 (ii) Send a copy of the findings and summary to the applicant.]

6 **(2) (I) WITHIN 10 DAYS AFTER THE COMMISSIONER DENIES AN
7 APPLICATION, THE COMMISSIONER SHALL SEND A WRITTEN NOTICE TO THE
8 APPLICANT STATING THE REASONS FOR THE DENIAL.**

9 **(II) THE NOTICE SHALL BE SENT BY UNITED STATES MAIL,
10 E-MAIL, OR ANY MEANS PROVIDED THROUGH NMLS TO THE ADDRESS LISTED IN
11 THE APPLICATION.**

12 11-208.

13 (a) The Commissioner shall include on each license:

14 (1) The name of the licensee; [and]

15 (2) The address **OF THE LOCATION** at which the business is to be
16 conducted; **AND**

17 **(3) THE LICENSE NUMBER AND UNIQUE IDENTIFIER OF THE
18 LICENSEE.**

19 (b) (1) A license authorizes the licensee to do business under the license, at the
20 licensed [place of business] **LOCATION** and under the name stated on the license.

21 (2) Only one [place of business] **LOCATION** may be maintained under any
22 one license.

23 (c) **[The] SUBJECT TO § 11-203.1(B) OF THIS SUBTITLE, THE** Commissioner
24 may issue more than one license to an applicant who:

25 (1) **CONDUCTS ACTIVITIES FOR WHICH A LICENSE IS REQUIRED AT
26 MORE THAN ONE LOCATION;**

27 **(2)** Complies with § 11-206 of this subtitle; and

28 **[(2)] (3)** Otherwise meets the requirements of this subtitle.

29 11-209.

1 [(a) A license issued before September 30, 1997 expires on the June 30 after its
2 effective date, unless it is renewed on or before June 1 of the year of expiration for an
3 additional term as provided in this section.

4 (b) A license issued on or after October 1, 1997 expires on December 31 in each
5 odd-numbered year after December 31, 1997, unless it is renewed for a 2-year term as
6 provided in this section.]

7 **(A) AN INITIAL LICENSE TERM SHALL:**

8 **(1) BEGIN ON THE DATE THE LICENSE IS ISSUED; AND**

9 **(2) EXPIRE ON DECEMBER 31 OF THE YEAR:**

10 **(I) IN WHICH THE LICENSE IS ISSUED, IF THE LICENSE IS**
11 **ISSUED BEFORE NOVEMBER 1; OR**

12 **(II) IMMEDIATELY FOLLOWING THE YEAR IN WHICH THE**
13 **LICENSE IS ISSUED, IF THE LICENSE IS ISSUED ON OR AFTER NOVEMBER 1.**

14 [(c) **(B) On or [before December] AFTER NOVEMBER 1 of the year [of**
15 **expiration,] IN WHICH a license EXPIRES, THE LICENSE may be renewed for an additional**
16 **[2-year] 1-YEAR term, if the licensee:**

17 **(1) Otherwise is entitled to be licensed;**

18 **(2) Pays to the Commissioner a renewal fee of [\$1,700] \$850; and**

19 **(3) Submits to the Commissioner a renewal application [on] IN the form,**
20 **AND IN ACCORDANCE WITH THE PROCESS, that the Commissioner requires.**

21 [(d) **(C) The Commissioner may waive the requirements of § 11-205(1) and (2)**
22 **of this subtitle for the renewal of a license.**

23 [(e) **(D) [The Secretary] TO THE EXTENT REQUIRED OR PERMITTED BY**
24 **NMLS, THE COMMISSIONER may determine that licenses issued under this subtitle shall**
25 **expire on a staggered basis.**

26 **(E) A LICENSEE MAY NOT RENEW A LICENSE UNLESS, BEFORE THE**
27 **SUBMISSION OF THE LICENSE RENEWAL APPLICATION, THE LICENSEE HAS**
28 **TRANSFERRED THE LICENSEE'S LICENSING INFORMATION TO NMLS IN**
29 **ACCORDANCE WITH § 11-203.1(C) OF THIS SUBTITLE.**

30 **11-209.1.**

1 **(A) A LICENSEE MAY SURRENDER A LICENSE BY SENDING TO THE**
2 **COMMISSIONER, IN THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT THE**
3 **COMMISSIONER REQUIRES, A STATEMENT THAT THE LICENSE IS SURRENDERED.**

4 **(B) IF A LICENSE IS SURRENDERED VOLUNTARILY, OR IS SUSPENDED OR**
5 **REVOKED, THE COMMISSIONER MAY NOT REFUND ANY PART OF THE LICENSE FEE**
6 **REGARDLESS OF THE TIME REMAINING IN THE LICENSE TERM.**

7 **(C) THE SURRENDER OF A LICENSE DOES NOT AFFECT ANY CIVIL OR**
8 **CRIMINAL LIABILITY OF THE LICENSEE FOR ACTS COMMITTED BEFORE THE LICENSE**
9 **WAS SURRENDERED.**

10 11-210.

11 (a) A license is not transferable.

12 (b) Each licensee shall display the license conspicuously at the licensee's [place of
13 business] **LICENSED LOCATION.**

14 11-211.

15 (a) A licensee may not change the [place of business] **LOCATION** for which a
16 license is issued unless the licensee:

17 (1) [Notifies] **PROVIDES TO** the Commissioner, in [writing] **THE FORM**
18 **AND IN ACCORDANCE WITH THE PROCESS THAT THE COMMISSIONER REQUIRES,**
19 **NOTICE** of the proposed change; and

20 (2) Receives the written consent of the Commissioner **BY UNITED STATES**
21 **MAIL, E-MAIL, OR ANY MEANS PROVIDED THROUGH NMLS.**

22 (b) If the Commissioner consents to a proposed change of [place of business]
23 **LOCATION, THE COMMISSIONER SHALL SEND** the licensee [shall attach the written
24 consent to the] **AN AMENDED** license.

25 11-401.

26 (a) In this subtitle the following words have the meanings indicated.

27 (b) "Agreement" means an installment sale agreement, a renewed or extended
28 installment sale agreement, and any renewal, extension, or refund agreement made in
29 connection with an installment sale agreement.

1 **(C) “BRANCH LOCATION” MEANS ANY LOCATION OTHER THAN THE**
2 **PRINCIPAL EXECUTIVE OFFICE OF A LICENSEE OR LICENSE APPLICANT AT WHICH**
3 **THE LICENSEE CONDUCTS, OR THE LICENSE APPLICANT, ON LICENSURE, WILL**
4 **CONDUCT, ACTIVITIES REQUIRED TO BE LICENSED UNDER THIS SUBTITLE.**

5 **[(c)] (D)** (1) “Buyer” means a person who buys or leases goods under an
6 installment sale agreement, even though the person has entered into one or more renewal,
7 extension, or refund agreements.

8 (2) “Buyer” includes a prospective buyer.

9 **[(d)] (E)** (1) “Collateral security” means any security interest in,
10 encumbrance on, or pledge of property or goods that is given to secure performance of an
11 obligation of a buyer or a surety for a buyer under an agreement.

12 (2) “Collateral security” includes the undertaking of a surety for a buyer.

13 (3) “Collateral security” does not include any goods or interest in goods that
14 are the subject of an installment sale agreement.

15 **(F) (1) “CONTROL PERSON” MEANS A PERSON WHO HAS THE POWER,**
16 **DIRECTLY OR INDIRECTLY, TO DIRECT THE MANAGEMENT OR POLICIES OF A**
17 **LICENSEE OR LICENSE APPLICANT, WHETHER THROUGH OWNERSHIP OF**
18 **SECURITIES, BY CONTRACT, OR OTHERWISE.**

19 (2) **“CONTROL PERSON” INCLUDES A PERSON WHO:**

20 **(I) IS A GENERAL PARTNER, AN OFFICER, A DIRECTOR, OR A**
21 **MEMBER OF A LICENSEE OR LICENSE APPLICANT, OR OCCUPIES A SIMILAR POSITION**
22 **OR PERFORMS A SIMILAR FUNCTION;**

23 **(II) DIRECTLY OR INDIRECTLY HAS THE RIGHT TO VOTE 20% OR**
24 **MORE OF A CLASS OF VOTING SECURITIES, OR HAS THE POWER TO SELL OR DIRECT**
25 **THE SALE OF 20% OR MORE OF A CLASS OF VOTING SECURITIES, OF A LICENSEE OR**
26 **LICENSE APPLICANT; OR**

27 **(III) IN THE CASE OF A PARTNERSHIP, A LIMITED PARTNERSHIP,**
28 **A LIMITED LIABILITY PARTNERSHIP, A LIMITED LIABILITY COMPANY, OR ANY OTHER**
29 **BUSINESS ENTITY:**

30 **1. HAS THE RIGHT TO RECEIVE ON LIQUIDATION OR**
31 **DISSOLUTION OF A LICENSEE OR LICENSE APPLICANT 20% OR MORE OF THE**
32 **CAPITAL OF THE LICENSEE OR LICENSE APPLICANT; OR**

1 **2. HAS CONTRIBUTED 20% OR MORE OF THE CAPITAL OF**
2 **A LICENSEE OR LICENSE APPLICANT.**

3 ~~[(e)]~~ **(G)** (1) “Goods” means all tangible personal property that has a cash
4 price of \$25,000 or less.

5 (2) “Goods” does not include money or things in action.

6 ~~[(f)]~~ **(H)** (1) “Installment sale agreement” means a contract for the retail sale
7 of consumer goods, negotiated or entered into in this State, under which:

8 (i) Part or all of the price is payable in one or more payments after
9 the making of the contract; and

10 (ii) The seller takes collateral security or keeps a security interest in
11 the goods sold.

12 (2) “Installment sale agreement” includes:

13 (i) A prospective installment sale agreement;

14 (ii) A purchase money security agreement; and

15 (iii) A contract for the bailment or leasing of consumer goods under
16 which the bailee or lessee contracts to pay as compensation a sum that is substantially
17 equal to or is more than the value of the goods.

18 (3) “Installment sale agreement” does not include:

19 (i) A bona fide C.O.D. transaction or a layaway agreement as
20 defined in § 14–1101(g) of the Commercial Law Article; or

21 (ii) A lease for industrial, commercial, or agricultural purposes.

22 ~~[(g)]~~ **(I)** “License” means a license issued by the Commissioner under this
23 subtitle to engage in business as a sales finance company.

24 ~~[(h)]~~ **(J)** “Person” includes an individual, corporation, business trust, statutory
25 trust, estate, trust, partnership, association, two or more persons having a joint or common
26 interest, or any other legal or commercial entity.

27 ~~[(i)]~~ **(K)** “Retail sale” means the sale of goods for use or consumption by the
28 buyer or for the benefit or satisfaction that the buyer may derive from the use or
29 consumption of the goods by another, but not for resale by the buyer.

1 **[(j)] (L)** “Sales finance company” means a person who is engaged, whether by
2 purchase, discount, pledge, loan, or otherwise, in the business of acquiring, investing in, or
3 lending money or credit on the security of any interest in:

4 (1) An installment sale agreement made between other parties;

5 (2) A retail credit account transaction, as defined in § 12–501 of the
6 Commercial Law Article, made between other parties; or

7 (3) A transaction that deals with home improvement, as defined in § 8–101
8 of the Business Regulation Article, made between other parties, if collateral security is
9 required by and given to the contractor as a condition to the transaction.

10 **[(k)] (M)** “Security interest” has the meaning stated in § 1–201(37) of the
11 Commercial Law Article.

12 **[(l)] (N)** “Seller” means a person who sells or leases or agrees to sell or lease
13 goods under an installment sale agreement.

14 **[(m)] (O)** (1) “Surety” includes a guarantor.

15 (2) “Surety” does not include a seller who sells, transfers, or assigns an
16 agreement.

17 **(P) “UNIQUE IDENTIFIER” MEANS A NUMBER OR ANOTHER IDENTIFIER**
18 **ASSIGNED BY NMLS.**

19 11–403.

20 (a) Except as otherwise provided in this subtitle, a person may not engage in
21 business as a sales finance company unless the person is licensed by the Commissioner.

22 (b) A separate license is required for **THE PRINCIPAL EXECUTIVE OFFICE AND**
23 each **[place of business] BRANCH LOCATION** where a person engages in business as a sales
24 finance company.

25 (c) A political subdivision may not require a licensee to have a local license or pay
26 a local fee for permission to engage in business as a sales finance company.

27 **(D) DURING THE TIME PERIOD ESTABLISHED BY THE COMMISSIONER**
28 **UNDER SUBSECTION (E) OF THIS SECTION, EACH LICENSEE SHALL:**

29 **(1) OBTAIN AND MAINTAIN A VALID UNIQUE IDENTIFIER ISSUED BY**
30 **NMLS WHEN AN ACCOUNT IS CREATED WITH NMLS;**

31 **(2) TRANSFER LICENSING INFORMATION TO NMLS; AND**

1 **(3) PAY TO THE COMMISSIONER A LICENSE EXTENSION FEE**
2 **CALCULATED IN ACCORDANCE WITH SUBSECTION (E)(5) OF THIS SECTION.**

3 **(E) (1) THE COMMISSIONER SHALL ESTABLISH A TIME PERIOD THAT IS**
4 **NOT LESS THAN 2 MONTHS WITHIN WHICH A LICENSEE MUST TRANSFER LICENSING**
5 **INFORMATION TO NMLS.**

6 **(2) THE TIME PERIOD THAT THE COMMISSIONER ESTABLISHES**
7 **UNDER THIS SUBSECTION SHALL BEGIN ON OR AFTER JULY 1, 2017.**

8 **(3) AT LEAST 30 DAYS BEFORE THE TRANSFER PERIOD BEGINS, THE**
9 **COMMISSIONER SHALL:**

10 **(I) NOTIFY ALL LICENSEES OF THE TRANSFER PERIOD; AND**

11 **(II) PROVIDE INSTRUCTIONS FOR THE TRANSFER OF LICENSING**
12 **INFORMATION TO NMLS.**

13 **(4) FOR EACH LICENSEE THAT COMPLIES WITH SUBSECTION (D) OF**
14 **THIS SECTION, THE TERM OF THE LICENSEE'S LICENSE SHALL BE EXTENDED TO**
15 **DECEMBER 31 OF THE YEAR IN WHICH THE LICENSE OTHERWISE WOULD HAVE**
16 **EXPIRED.**

17 **(5) THE LICENSE EXTENSION FEE REQUIRED UNDER SUBSECTION**
18 **(D)(3) OF THIS SECTION IS NONREFUNDABLE AND, BASED ON THE ANNUAL LICENSE**
19 **FEE, SHALL BE PRORATED TO THE NUMBER OF DAYS BETWEEN THE DATE THE**
20 **LICENSE OTHERWISE WOULD HAVE EXPIRED AND DECEMBER 31 OF THE SAME YEAR.**

21 **(F) SUBJECT TO SUBSECTION (D) OF THIS SECTION, AN APPLICANT FOR AN**
22 **INITIAL LICENSE OR A LICENSE RENEWAL SHALL APPLY FOR THE INITIAL LICENSE**
23 **OR LICENSE RENEWAL THROUGH NMLS:**

24 **(1) ON OR AFTER JULY 1, 2017; OR**

25 **(2) IF THE COMMISSIONER HAS NOT JOINED NMLS WITH RESPECT**
26 **TO PERSONS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE AS OF JULY 1, 2017,**
27 **ON OR AFTER THE DATE THAT THE COMMISSIONER JOINS, AS SPECIFIED BY THE**
28 **COMMISSIONER BY PUBLIC NOTICE.**

29 11-404.

30 **(a) (1) To apply for a license, an applicant shall:**

1 **(I) COMPLETE**, sign, and submit to the Commissioner [a verified]
2 **A COMPLETED** application [on] **MADE UNDER OATH IN** the form, **AND IN ACCORDANCE**
3 **WITH THE PROCESS**, that the Commissioner requires; **AND**

4 **(II) PROVIDE ALL THE INFORMATION THAT THE**
5 **COMMISSIONER REQUESTS.**

6 (2) The application shall include:

7 (i) The [name of the applicant] **APPLICANT'S NAME, THE**
8 **APPLICANT'S PRINCIPAL EXECUTIVE OFFICE ADDRESS, AND, IF THE APPLICANT IS**
9 **NOT AN INDIVIDUAL, THE NAME AND RESIDENCE ADDRESS OF EACH CONTROL**
10 **PERSON;**

11 (ii) The address [at which the business is to be conducted, including,
12 if applicable, the office building and room number] **OF EACH BRANCH LOCATION, IF ANY;**
13 **AND**

14 (iii) [The address of each branch, subsidiary, or affiliate that the
15 applicant operates in this State;

16 (iv) If the applicant is a corporation, the date of its incorporation;

17 (v) The name and residence address of each owner of or partner in
18 the applicant or, if the applicant is a corporation or association, the name and residence
19 address of each of its directors or trustees, its principal officers, and each person who owns
20 an interest of 20 percent or more in the applicant; and

21 (vi) Any other pertinent information that the Commissioner
22 requires.

23 (b) With the application, the applicant shall pay to the Commissioner:

24 (1) An investigation fee of \$100; and

25 (2) A license fee of \$250.

26 (c) [(1)] For **THE PRINCIPAL EXECUTIVE OFFICE AND** each **BRANCH**
27 **LOCATION** license for which an applicant applies, the applicant shall:

28 [(i)] **(1)** Submit a separate application; and

29 [(ii)] **(2)** Pay a separate investigation fee and license fee.

1 [(2) If an applicant applies for three or more licenses at the same time, the
2 total investigation fee is \$300.]

3 11-407.

4 (a) **[The] WHEN AN APPLICANT FOR A LICENSE FILES THE APPLICATION**
5 **AND PAYS THE FEES REQUIRED BY § 11-404 OF THIS SUBTITLE, THE** Commissioner
6 shall [approve or deny each application for a license within 60 days after the date when the
7 application is made and the fees are paid] **INVESTIGATE THE FACTS RELEVANT TO THE**
8 **APPLICATION TO DETERMINE IF THE APPLICANT MEETS THE REQUIREMENTS OF**
9 **THIS SUBTITLE.**

10 **(B) THE COMMISSIONER SHALL APPROVE OR DENY EACH APPLICATION FOR**
11 **A LICENSE WITHIN 60 DAYS AFTER THE DATE ON WHICH THE COMPLETE**
12 **APPLICATION IS FILED AND THE FEES ARE PAID.**

13 **[(b)] (C)** The Commissioner shall issue a license to any applicant who meets the
14 requirements of this subtitle.

15 **[(c)] (D)** (1) If the Commissioner denies an application, the Commissioner
16 shall:

17 (i) Notify the applicant of the denial;

18 (ii) Refund the license fee to the applicant; and

19 (iii) Keep the investigation fee and any charges collected under §
20 11-406 of this subtitle.

21 [(2) Within 20 days after the Commissioner denies an application, the
22 Commissioner shall:

23 (i) File in the Commissioner's office a written decision and
24 statement of the reasons for denying the application; and

25 (ii) Send a copy of the decision and statement to the applicant.]

26 **(2) (I) WITHIN 20 DAYS AFTER THE COMMISSIONER DENIES AN**
27 **APPLICATION, THE COMMISSIONER SHALL SEND A WRITTEN NOTICE TO THE**
28 **APPLICANT STATING THE REASONS FOR THE DENIAL.**

29 **(II) THE NOTICE SHALL BE SENT BY UNITED STATES MAIL,**
30 **E-MAIL, OR ANY MEANS PROVIDED THROUGH NMLS TO THE ADDRESS LISTED ON**
31 **THE APPLICATION.**

1 11-408.

2 (a) The Commissioner shall include on each license that the Commissioner issues:

3 (1) The name of the licensee; [and]

4 (2) The address [where] **OF THE LOCATION AT WHICH** the business will
5 be conducted; **AND**

6 **(3) THE LICENSE NUMBER AND THE UNIQUE IDENTIFIER OF THE**
7 **LICENSEE.**

8 (b) (1) A license authorizes the licensee to do business under the license, at the
9 licensed [place of business] **LOCATION** and under the name stated on the license.

10 (2) Only one [place of business] **LOCATION** may be maintained under any
11 one license.

12 (c) **[The] SUBJECT TO § 11-403(B) OF THIS SUBTITLE, THE** Commissioner
13 may issue more than one license to an applicant who:

14 (1) **CONDUCTS ACTIVITIES FOR WHICH A LICENSE IS REQUIRED AT**
15 **MORE THAN ONE BRANCH LOCATION;**

16 (2) Complies with [§] **§§ 11-404 AND 11-406** of this subtitle; and

17 ~~[(2)]~~ **(3)** Otherwise meets the requirements of this subtitle.

18 11-409.

19 [(a) (1) A license issued on or before September 30, 1997 expires on December
20 31 of the year in which it was issued.

21 (2) A license issued on or after October 1, 1997 expires on December 31 in
22 each odd-numbered year after December 31, 1997.]

23 **(A) AN INITIAL LICENSE TERM SHALL:**

24 **(1) BEGIN ON THE DATE THE LICENSE IS ISSUED; AND**

25 **(2) EXPIRE ON DECEMBER 31 OF THE YEAR:**

26 **(I) IN WHICH THE LICENSE IS ISSUED, IF THE LICENSE IS**
27 **ISSUED BEFORE NOVEMBER 1; OR**

1 **(II) IMMEDIATELY FOLLOWING THE YEAR IN WHICH THE**
2 **LICENSE IS ISSUED, IF THE LICENSE IS ISSUED ON OR AFTER NOVEMBER 1.**

3 (b) **[Before] ON OR AFTER NOVEMBER 1 OF THE YEAR IN WHICH** a license
4 expires, the **LICENSE MAY BE RENEWED FOR AN ADDITIONAL 1-YEAR TERM IF THE**
5 licensee **[may apply for a new license]:**

6 **(1) OTHERWISE IS ENTITLED TO BE LICENSED;**

7 **(2) PAYS TO THE COMMISSIONER A RENEWAL FEE OF \$175; AND**

8 **(3) SUBMITS TO THE COMMISSIONER A RENEWAL APPLICATION IN**
9 **THE FORM, AND IN ACCORDANCE WITH THE PROCESS, THAT THE COMMISSIONER**
10 **REQUIRES.**

11 (c) **[The Secretary] TO THE EXTENT REQUIRED OR PERMITTED BY NMLS,**
12 **THE COMMISSIONER** may determine that licenses issued under this subtitle shall expire
13 on a staggered basis.

14 **(D) A LICENSEE MAY NOT RENEW A LICENSE UNLESS, BEFORE THE**
15 **SUBMISSION OF THE LICENSE RENEWAL APPLICATION, THE LICENSEE HAS**
16 **TRANSFERRED THE LICENSEE'S LICENSING INFORMATION TO NMLS IN**
17 **ACCORDANCE WITH § 11-403(D) OF THIS SUBTITLE.**

18 11-410.

19 (a) A license is not transferable.

20 (b) Each licensee shall display the license conspicuously at the licensee's **[place of**
21 **business] LICENSED LOCATION.**

22 11-411.

23 (a) If a licensee changes the **[place of business] LOCATION FOR WHICH A**
24 **LICENSE IS ISSUED**, the licensee immediately shall **[notify] PROVIDE TO** the
25 Commissioner, in **[writing] THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT**
26 **THE COMMISSIONER REQUIRES, NOTICE** of the change.

27 (b) **[(1)]** On receiving notice under this section, the Commissioner, without
28 charge, shall send the licensee an **[endorsement] AMENDED LICENSE** stating the change
29 and its date.

30 **[(2)]** The licensee shall attach the endorsement to the license.]

31 11-412.

1 (a) A licensee may surrender the license by [delivering] **SENDING** to the
2 Commissioner, **IN THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT THE**
3 **COMMISSIONER REQUIRES**, a [written] statement that the license is surrendered.

4 (b) **IF A LICENSE IS SURRENDERED VOLUNTARILY, OR IS SUSPENDED OR**
5 **REVOKED, THE COMMISSIONER MAY NOT REFUND ANY PART OF THE LICENSE FEE**
6 **REGARDLESS OF THE TIME REMAINING IN THE LICENSE TERM.**

7 (c) The surrender of a license does not affect any civil or criminal liability of the
8 licensee for acts committed before the license was surrendered.

9 **11-412.1.**

10 (A) (1) **THE REQUIREMENTS UNDER ANY FEDERAL LAW AND TITLE 4,**
11 **SUBTITLES 1 THROUGH 4 OF THE GENERAL PROVISIONS ARTICLE REGARDING THE**
12 **PRIVACY OR CONFIDENTIALITY OF INFORMATION OR MATERIAL PROVIDED TO**
13 **NMLS AND ANY PRIVILEGE ARISING UNDER FEDERAL OR STATE LAW, INCLUDING**
14 **THE RULES OF ANY FEDERAL OR STATE COURT WITH RESPECT TO THAT**
15 **INFORMATION OR MATERIAL, SHALL CONTINUE TO APPLY TO THAT INFORMATION**
16 **OR MATERIAL AFTER THE INFORMATION OR MATERIAL HAS BEEN DISCLOSED TO**
17 **NMLS.**

18 (2) **THE INFORMATION AND MATERIAL MAY BE SHARED WITH ALL**
19 **STATE AND FEDERAL REGULATORY OFFICIALS HAVING OVERSIGHT AUTHORITY**
20 **OVER PERSONS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE, INCLUDING THE**
21 **FINANCIAL CRIMES ENFORCEMENT NETWORK AND THE OFFICE OF FOREIGN**
22 **ASSETS CONTROL, AND ANY SUCCESSOR TO THESE AGENCIES, WITHOUT THE LOSS**
23 **OF PRIVILEGE OR THE LOSS OF CONFIDENTIALITY PROTECTIONS PROVIDED BY**
24 **FEDERAL LAW OR TITLE 4, SUBTITLES 1 THROUGH 4 OF THE GENERAL PROVISIONS**
25 **ARTICLE.**

26 (B) **INFORMATION OR MATERIAL THAT IS SUBJECT TO A PRIVILEGE OR**
27 **CONFIDENTIALITY UNDER SUBSECTION (A) OF THIS SECTION MAY NOT BE SUBJECT**
28 **TO:**

29 (1) **DISCLOSURE UNDER ANY FEDERAL OR STATE LAW GOVERNING**
30 **THE DISCLOSURE TO THE PUBLIC OF INFORMATION HELD BY AN OFFICER OR**
31 **AGENCY OF THE FEDERAL GOVERNMENT OR A STATE THAT HAS RECEIVED THE**
32 **INFORMATION OR MATERIAL; OR**

33 (2) **SUBPOENA, DISCOVERY, OR ADMISSION INTO EVIDENCE, IN ANY**
34 **PRIVATE CIVIL LITIGATION OR ADMINISTRATIVE PROCESS, UNLESS, WITH RESPECT**

1 TO ANY PRIVILEGE HELD BY NMLS, THE PERSON TO WHOM THE INFORMATION OR
2 MATERIAL PERTAINS WAIVES, IN WHOLE OR IN PART, THAT PRIVILEGE.

3 (C) ANY PROVISION OF TITLE 4, SUBTITLES 1 THROUGH 5 OF THE GENERAL
4 PROVISIONS ARTICLE RELATING TO THE DISCLOSURE OF ANY INFORMATION OR
5 MATERIAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION THAT IS INCONSISTENT
6 WITH SUBSECTION (A) OF THIS SECTION SHALL BE SUPERSEDED BY THE
7 REQUIREMENTS OF THIS SECTION.

8 (D) THIS SECTION DOES NOT APPLY TO INFORMATION OR MATERIAL
9 RELATING TO PUBLICLY ADJUDICATED DISCIPLINARY AND ENFORCEMENT ACTIONS
10 AGAINST A PERSON REQUIRED TO BE LICENSED UNDER THIS SUBTITLE THAT IS
11 INCLUDED IN NMLS AND DESIGNATED FOR ACCESS BY THE PUBLIC.

12 11-501.

13 (o) “Nationwide Mortgage Licensing System and Registry” OR “NMLS” has the
14 meaning stated in § 1-101 of this article.

15 11-506.1.

16 (a) [In this section, “Central Repository” means the Criminal Justice Information
17 System Central Repository of the Department of Public Safety and Correctional Services.

18 (b)] This section does not apply to any corporation the securities of which are
19 exempt from registration under § 11-601(8) or (12) of the Corporations and Associations
20 Article.

21 [(c)] (B) In connection with an initial application FOR A LICENSE UNDER §
22 11-507 OF THIS SUBTITLE, and at any other time the Commissioner requests, [each
23 applicant or licensee shall provide fingerprints for:

24 (1) Use by the Central Repository to conduct State criminal history records
25 checks; and

26 (2) Submission to the Federal Bureau of Investigation, and any other
27 governmental agency or entity authorized to receive this information, for a state, national,
28 or international criminal history background check.

29 (d) In addition to the requirement under subsection (c) of this section, if the
30 Commissioner requires in connection with an initial application, and at any other time the
31 Commissioner requests,] an applicant or licensee shall provide to the Nationwide Mortgage
32 Licensing System and Registry information concerning the applicant’s identity, including:

1 (1) Fingerprints for submission to the Federal Bureau of Investigation, and
2 any other governmental agency or entity authorized to receive this information, for a state,
3 national, or international criminal history background check; and

4 (2) Personal history and experience in a form prescribed by the Nationwide
5 Mortgage Licensing System and Registry, including the submission of authorization for the
6 Nationwide Mortgage Licensing System and Registry and the Commissioner to obtain:

7 (i) An independent credit report from a consumer reporting agency
8 described in the federal Fair Credit Reporting Act, 15 U.S.C. § 1681a(p); and

9 (ii) Information related to any administrative, civil, or criminal
10 findings by any governmental jurisdiction.

11 **[(e)] (C)** The Commissioner may request from **[the Central Repository,]** the
12 Federal Bureau of Investigation**[,]** or the Nationwide Mortgage Licensing System and
13 Registry, as applicable, for each applicant or licensee who is required to provide fingerprints
14 under subsection **[(c) or (d)] (B)** of this section:

15 (1) (i) The state, national, or international criminal history records of
16 the applicant or licensee; and

17 (ii) A printed statement listing any conviction or other disposition of,
18 and any plea of guilty or nolo contendere to, any criminal charge;

19 (2) (i) An update of the initial criminal history records check or
20 criminal history background check of the applicant or licensee; and

21 (ii) A revised statement listing any conviction or other disposition of,
22 and any plea of guilty or nolo contendere to, any criminal charge occurring after the date
23 of the initial criminal history records check or criminal history background check; and

24 (3) An acknowledged receipt of the application for a criminal history
25 records check or criminal history background check of the applicant or licensee.

26 **[(f)] (D)** An applicant or licensee who is required to provide fingerprints under
27 subsection **[(c) or (d)] (B)** of this section shall pay any processing or other fees required by
28 **[the Central Repository,]** the Federal Bureau of Investigation**[,]** and the Nationwide
29 Mortgage Licensing System and Registry.

30 **[(g)] (E)** To implement this subtitle, the Commissioner may use the Nationwide
31 Mortgage Licensing System and Registry as a channeling agent to request information from
32 and distribute information to the Department of Justice, any other governmental agency
33 with subject matter jurisdiction, and any other state licensing entity that has loan
34 originators registered with the Nationwide Mortgage Licensing System and Registry.

1 11-601.

2 (s) "Nationwide Mortgage Licensing System and Registry" OR "NMLS" has the
3 meaning stated in § 1-101 of this article.

4 12-101.

5 (a) In this subtitle the following words have the meanings indicated.

6 (B) "BRANCH LOCATION" MEANS ANY LOCATION OTHER THAN THE
7 PRINCIPAL EXECUTIVE OFFICE OF A LICENSEE OR LICENSE APPLICANT AT WHICH
8 THE LICENSEE CONDUCTS, OR THE LICENSE APPLICANT, ON LICENSURE, WILL
9 CONDUCT, ACTIVITIES REQUIRED TO BE LICENSED UNDER THIS SUBTITLE.

10 (C) (1) "CONTROL PERSON" MEANS A PERSON WHO HAS THE POWER,
11 DIRECTLY OR INDIRECTLY, TO DIRECT THE MANAGEMENT OR POLICIES OF A
12 LICENSEE OR LICENSE APPLICANT, WHETHER THROUGH OWNERSHIP OF
13 SECURITIES, BY CONTRACT, OR OTHERWISE.

14 (2) "CONTROL PERSON" INCLUDES A PERSON WHO:

15 (I) IS A GENERAL PARTNER, AN OFFICER, A DIRECTOR, OR A
16 MEMBER, OR OCCUPIES A SIMILAR POSITION OR PERFORMS A SIMILAR FUNCTION;

17 (II) DIRECTLY OR INDIRECTLY HAS THE RIGHT TO VOTE 5% OR
18 MORE OF A CLASS OF VOTING SECURITIES, OR HAS THE POWER TO SELL OR DIRECT
19 THE SALE OF 5% OR MORE OF A CLASS OF VOTING SECURITIES, OF A LICENSEE OR
20 LICENSE APPLICANT; OR

21 (III) IN THE CASE OF A PARTNERSHIP, A LIMITED PARTNERSHIP,
22 A LIMITED LIABILITY PARTNERSHIP, A LIMITED LIABILITY COMPANY, OR ANY OTHER
23 BUSINESS ENTITY:

24 1. HAS THE RIGHT TO RECEIVE ON LIQUIDATION OR
25 DISSOLUTION OF A LICENSEE OR LICENSE APPLICANT 5% OR MORE OF THE CAPITAL
26 OF THE LICENSEE OR LICENSE APPLICANT; OR

27 2. HAS CONTRIBUTED 5% OR MORE OF THE CAPITAL OF
28 A LICENSEE OR LICENSE APPLICANT.

29 [(b)] (D) "Exempt entity" means an entity that is exempt from all requirements
30 of licensing as provided under § 12-103(b) and (c) of this subtitle.

1 [(c)] (E) “License” means, unless the context requires otherwise, a license issued
2 by the Commissioner under this subtitle to provide check cashing services.

3 [(d)] (F) “Licensee” means, unless the context requires otherwise, a person that
4 is licensed by the Commissioner under this subtitle to provide check cashing services.

5 [(e)] (G) “Mobile unit” means a motor vehicle or other movable means from
6 which check cashing services are provided.

7 [(f)] (H) (1) “Payment instrument” means a check or a draft ordering a
8 person to pay money.

9 (2) “Payment instrument” includes a money order.

10 [(g)] (I) “Provide check cashing services” means to accept or cash, for
11 compensation, a payment instrument regardless of the date of the payment instrument.

12 **(J) “UNIQUE IDENTIFIER” MEANS A NUMBER OR ANOTHER IDENTIFIER**
13 **ASSIGNED BY NMLS.**

14 12–105.

15 (a) Except as provided in § 12–102(a) of this subtitle, a person may not provide
16 check cashing services unless the person is licensed under this subtitle or is an exempt
17 entity.

18 (b) A separate license is required for **THE PRINCIPAL EXECUTIVE OFFICE OF**
19 **THE LICENSE APPLICANT OR LICENSEE AT WHICH**, each [place of business] **BRANCH**
20 **LOCATION** at which, [or] **AND EACH** mobile unit from which, a person provides check
21 cashing services.

22 **(C) DURING THE TIME PERIOD ESTABLISHED BY THE COMMISSIONER**
23 **UNDER SUBSECTION (D) OF THIS SECTION, EACH LICENSEE SHALL:**

24 **(1) OBTAIN AND MAINTAIN A VALID UNIQUE IDENTIFIER ISSUED BY**
25 **NMLS WHEN AN ACCOUNT IS CREATED WITH NMLS;**

26 **(2) TRANSFER LICENSING INFORMATION TO NMLS; AND**

27 **(3) PAY TO THE COMMISSIONER A LICENSE EXTENSION FEE**
28 **CALCULATED IN ACCORDANCE WITH SUBSECTION (D)(5) OF THIS SECTION.**

29 **(D) (1) THE COMMISSIONER SHALL ESTABLISH A TIME PERIOD THAT IS**
30 **NO LESS THAN 2 MONTHS WITHIN WHICH A LICENSEE MUST TRANSFER LICENSING**
31 **INFORMATION TO NMLS.**

1 **(2) THE TIME PERIOD THAT THE COMMISSIONER ESTABLISHES**
2 **UNDER THIS SUBSECTION SHALL BEGIN ON OR AFTER JULY 1, 2017.**

3 **(3) AT LEAST 30 DAYS BEFORE THE TRANSFER PERIOD BEGINS, THE**
4 **COMMISSIONER SHALL:**

5 **(I) NOTIFY ALL LICENSEES OF THE TRANSFER PERIOD; AND**

6 **(II) PROVIDE INSTRUCTIONS FOR THE TRANSFER OF**
7 **LICENSING INFORMATION TO NMLS.**

8 **(4) FOR EACH LICENSEE THAT COMPLIES WITH SUBSECTION (C) OF**
9 **THIS SECTION, THE TERM OF THE LICENSEE'S LICENSE SHALL EXTEND TO**
10 **DECEMBER 31 OF THE YEAR IN WHICH THE LICENSE OTHERWISE WOULD HAVE**
11 **EXPIRED.**

12 **(5) THE LICENSE EXTENSION FEE REQUIRED UNDER SUBSECTION**
13 **(C)(3) OF THIS SECTION IS NONREFUNDABLE AND, BASED ON THE ANNUAL LICENSE**
14 **FEE, SHALL BE PRORATED TO THE NUMBER OF DAYS BETWEEN THE DATE THE**
15 **LICENSE OTHERWISE WOULD HAVE EXPIRED AND DECEMBER 31 OF THE SAME YEAR.**

16 **(E) SUBJECT TO SUBSECTION (C) OF THIS SECTION, AN APPLICANT FOR AN**
17 **INITIAL LICENSE OR A LICENSE RENEWAL SHALL APPLY FOR THE INITIAL LICENSE**
18 **OR LICENSE RENEWAL THROUGH NMLS:**

19 **(1) ON OR AFTER JULY 1, 2017; OR**

20 **(2) IF THE COMMISSIONER HAS NOT JOINED NMLS WITH RESPECT**
21 **TO PERSONS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE AS OF JULY 1, 2017,**
22 **ON OR AFTER THE DATE THAT THE COMMISSIONER JOINS, AS SPECIFIED BY THE**
23 **COMMISSIONER BY PUBLIC NOTICE.**

24 12-107.

25 **(a) [With] IN CONNECTION WITH an INITIAL application FOR A LICENSE**
26 **UNDER THIS SUBTITLE, and at any other time the Commissioner requires, an applicant**
27 **or licensee shall provide fingerprints, AS DIRECTED BY THE COMMISSIONER, TO NMLS**
28 **for use by the Federal Bureau of Investigation [and the Criminal Justice Information**
29 **System Central Repository of the Department of Public Safety and Correctional Services]**
30 **to conduct a criminal history records check.**

31 12-107.1.

1 **(A) (1) THE REQUIREMENTS UNDER ANY FEDERAL LAW AND TITLE 4,**
2 **SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS ARTICLE REGARDING THE**
3 **PRIVACY OR CONFIDENTIALITY OF INFORMATION OR MATERIAL PROVIDED TO**
4 **NMLS, AND ANY PRIVILEGE ARISING UNDER FEDERAL OR STATE LAW, INCLUDING**
5 **THE RULES OF ANY FEDERAL OR STATE COURT WITH RESPECT TO THAT**
6 **INFORMATION OR MATERIAL, SHALL CONTINUE TO APPLY TO THAT INFORMATION**
7 **OR MATERIAL AFTER THE INFORMATION OR MATERIAL HAS BEEN DISCLOSED TO**
8 **NMLS.**

9 **(2) THE INFORMATION AND MATERIAL MAY BE SHARED WITH ALL**
10 **STATE AND FEDERAL REGULATORY OFFICIALS HAVING OVERSIGHT AUTHORITY**
11 **OVER PERSONS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE, INCLUDING THE**
12 **FINANCIAL CRIMES ENFORCEMENT NETWORK AND THE OFFICE OF FOREIGN**
13 **ASSETS CONTROL, AND ANY SUCCESSOR TO THESE AGENCIES, WITHOUT THE LOSS**
14 **OF PRIVILEGE OR THE LOSS OF CONFIDENTIALITY PROTECTIONS PROVIDED BY**
15 **FEDERAL LAW OR TITLE 4, SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS**
16 **ARTICLE.**

17 **(B) INFORMATION OR MATERIAL THAT IS SUBJECT TO A PRIVILEGE OR**
18 **CONFIDENTIALITY UNDER SUBSECTION (A) OF THIS SECTION MAY NOT BE SUBJECT**
19 **TO:**

20 **(1) DISCLOSURE UNDER ANY FEDERAL OR STATE LAW GOVERNING**
21 **THE DISCLOSURE TO THE PUBLIC OF INFORMATION HELD BY AN OFFICER OR**
22 **AGENCY OF THE FEDERAL GOVERNMENT OR A STATE THAT HAS RECEIVED THE**
23 **INFORMATION OR MATERIAL; OR**

24 **(2) SUBPOENA, DISCOVERY, OR ADMISSION INTO EVIDENCE, IN ANY**
25 **PRIVATE CIVIL LITIGATION OR ADMINISTRATIVE PROCESS, UNLESS, WITH RESPECT**
26 **TO ANY PRIVILEGE HELD BY NMLS, THE PERSON TO WHOM THE INFORMATION OR**
27 **MATERIAL PERTAINS WAIVES, IN WHOLE OR IN PART, THAT PRIVILEGE.**

28 **(C) ANY PROVISIONS OF TITLE 4, SUBTITLES 1 THROUGH 5 OF THE**
29 **GENERAL PROVISIONS ARTICLE RELATING TO THE DISCLOSURE OF ANY**
30 **INFORMATION OR MATERIAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION THAT**
31 **ARE INCONSISTENT WITH SUBSECTION (A) OF THIS SECTION SHALL BE SUPERSEDED**
32 **BY THE REQUIREMENTS OF THIS SECTION.**

33 **(D) THIS SECTION DOES NOT APPLY TO INFORMATION OR MATERIAL**
34 **RELATING TO PUBLICLY ADJUDICATED DISCIPLINARY AND ENFORCEMENT ACTIONS**
35 **AGAINST A PERSON REQUIRED TO BE LICENSED UNDER THIS SUBTITLE THAT IS**
36 **INCLUDED IN NMLS AND DESIGNATED FOR ACCESS BY THE PUBLIC.**

1 12–108.

2 (a) (1) To apply for a license, an applicant shall [submit to the Commissioner
3 an application on the form that the Commissioner requires]:

4 (I) COMPLETE, SIGN, AND SUBMIT TO THE COMMISSIONER AN
5 APPLICATION MADE UNDER OATH IN THE FORM, AND IN ACCORDANCE WITH THE
6 PROCESS, THAT THE COMMISSIONER REQUIRES; AND

7 (II) PROVIDE ALL THE INFORMATION THAT THE
8 COMMISSIONER REQUESTS.

9 (2) The application shall include:

10 (i) The applicant's name [and address], **THE APPLICANT'S**
11 **PRINCIPAL EXECUTIVE OFFICE ADDRESS**, and, if the applicant is not an individual, the
12 [names] **NAME** and [addresses] **RESIDENCE ADDRESS** of each **CONTROL PERSON**[:];

13 [1. Owner who owns 5% or more of the entity; and

14 2. Officer, director, or principal of the entity;]

15 (ii) [1.] The address [at which check cashing services will be
16 provided] **OF EACH BRANCH LOCATION, IF ANY; [or]**

17 [2.] **(III)** If the license is for a mobile unit, the vehicle
18 identification number of the mobile unit and the geographic area in which the mobile unit
19 will be operating; and

20 [(iii)] **(IV)** Any other information that the Commissioner requires for
21 an investigation and findings under § 12–109 of this subtitle.

22 (b) With the application, the applicant shall pay to the Commissioner:

23 (1) An investigation fee of \$100; and

24 (2) A license fee of[:

25 (i) \$1,000 if the applicant applies for a license to be issued on or
26 after January 1 and on or before December 31 of an even-numbered year; or

27 (ii) \$500 if the applicant applies for a license to be issued on or after
28 January 1 and on or before December 31 of an odd-numbered year] **\$500.**

1 (c) [(1) Subject to the provisions of paragraph (2) of this subsection, if an
2 applicant applies for more than one license, as to each license] **FOR THE PRINCIPAL**
3 **EXECUTIVE OFFICE, EACH BRANCH LOCATION, AND EACH MOBILE UNIT LICENSE**
4 **FOR WHICH AN APPLICANT APPLIES**, the applicant shall:

5 [(i)] (1) Submit a separate application; and

6 [(ii)] (2) Pay a separate investigation fee and license fee.

7 [(2) An applicant that applies for more than one license is not required to
8 provide fingerprints for a criminal history records check for more than one application.]

9 12–109.

10 (a) When an applicant for a license files the application and pays the fees required
11 by § 12–108 of this subtitle, the Commissioner shall investigate the facts relevant to the
12 application to determine if the applicant meets the requirements of this subtitle.

13 (b) Unless the Commissioner and an applicant agree in writing to extend the
14 time, the Commissioner shall approve or deny each application for a license within 60 days
15 after the date [when] **ON WHICH** the complete application is filed and the fees are paid.

16 (c) The Commissioner shall issue a license to any applicant who meets the
17 requirements of this subtitle.

18 (d) (1) If an applicant does not meet the requirements of this subtitle, the
19 Commissioner shall:

20 (i) Deny the application;

21 (ii) Notify the applicant immediately of the denial;

22 (iii) Refund the license fee; and

23 (iv) Retain the investigation fee.

24 [(2) Within 10 days after the Commissioner denies an application, the
25 Commissioner shall:

26 (i) File in the Commissioner's office written findings and a summary
27 of the evidence supporting them; and

28 (ii) Send a copy of the findings and summary to the applicant.]

1 **(2) (I) WITHIN 10 DAYS AFTER THE COMMISSIONER DENIES AN**
2 **APPLICATION, THE COMMISSIONER SHALL SEND A WRITTEN NOTICE TO THE**
3 **APPLICANT STATING THE REASONS FOR THE DENIAL.**

4 **(II) THE NOTICE SHALL BE SENT BY UNITED STATES MAIL,**
5 **E-MAIL, OR ANY MEANS PROVIDED THROUGH NMLS TO THE ADDRESS LISTED IN**
6 **THE APPLICATION.**

7 12-110.

8 (a) The Commissioner shall include on each license:

9 (1) The name of the licensee; [and]

10 (2) (i) The address **OF THE LOCATION** at which check cashing services
11 will be provided; or

12 (ii) If the license is for a mobile unit, the vehicle identification
13 number of the mobile unit and the geographic area in which check cashing services will be
14 provided; **AND**

15 **(3) THE LICENSE NUMBER AND UNIQUE IDENTIFIER OF THE**
16 **LICENSEE.**

17 (b) (1) A license authorizes the licensee to provide check cashing services
18 under the name stated on the license and at the [address] **LOCATION** at which, or if the
19 license is for a mobile unit the geographic area in which, check cashing services will be
20 provided.

21 (2) Only one [place of business] **LOCATION**, or one mobile unit, may be
22 maintained under [a] **ANY ONE** license.

23 (c) **[The] SUBJECT TO § 12-105(B) OF THIS SUBTITLE, THE** Commissioner
24 may issue more than one license to an applicant who:

25 **(1) CONDUCTS ACTIVITIES FOR WHICH A LICENSE IS REQUIRED AT**
26 **MORE THAN ONE LOCATION;**

27 **[(1)] (2)** Complies with § 12-108 of this subtitle; and

28 **[(2)] (3)** Otherwise meets the requirements of this subtitle.

29 **12-110.1.**

1 **(A) A LICENSEE MAY SURRENDER A LICENSE BY SENDING TO THE**
2 **COMMISSIONER, IN THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT THE**
3 **COMMISSIONER REQUIRES, A STATEMENT THAT THE LICENSE IS SURRENDERED.**

4 **(B) IF A LICENSE IS SURRENDERED VOLUNTARILY, OR IS SUSPENDED OR**
5 **REVOKED, THE COMMISSIONER MAY NOT REFUND ANY PART OF THE LICENSE FEE**
6 **REGARDLESS OF THE TIME REMAINING IN THE LICENSE TERM.**

7 **(C) THE SURRENDER OF A LICENSE DOES NOT AFFECT ANY CIVIL OR**
8 **CRIMINAL LIABILITY OF THE LICENSEE FOR ACTS COMMITTED BEFORE THE LICENSE**
9 **WAS SURRENDERED.**

10 12-111.

11 [(a) A license expires on December 31 in each odd-numbered year unless it is
12 renewed for a 2-year term as provided in this section.]

13 **(A) AN INITIAL LICENSE TERM SHALL:**

14 **(1) BEGIN ON THE DATE THE LICENSE IS ISSUED; AND**

15 **(2) EXPIRE ON DECEMBER 31 OF THE YEAR:**

16 **(I) IN WHICH THE LICENSE IS ISSUED, IF THE LICENSE IS**
17 **ISSUED BEFORE NOVEMBER 1; OR**

18 **(II) IMMEDIATELY FOLLOWING THE YEAR IN WHICH THE**
19 **LICENSE IS ISSUED, IF THE LICENSE IS ISSUED ON OR AFTER NOVEMBER 1.**

20 (b) On or [before December 1] **AFTER NOVEMBER 1** of the year [of expiration,]
21 a license **EXPIRES, THE LICENSE** may be renewed for an additional [2-year] **1-YEAR**
22 term, if the licensee:

23 (1) Otherwise is entitled to be licensed;

24 (2) Pays to the Commissioner a renewal fee of [\$1,000] **\$500**; and

25 (3) Submits to the Commissioner a renewal application [on] **IN** the form,
26 **AND IN ACCORDANCE WITH THE PROCESS**, that the Commissioner requires.

27 (c) The Commissioner shall determine if the requirements of § 12-106 of this
28 subtitle to qualify for a license continue to apply.

1 (d) [The] **TO THE EXTENT REQUIRED OR PERMITTED BY NMLS, THE**
2 Commissioner may determine that licenses issued under this subtitle shall expire on a
3 staggered basis.

4 (E) **A LICENSEE MAY NOT RENEW A LICENSE UNLESS, BEFORE THE**
5 **SUBMISSION OF THE LICENSE RENEWAL APPLICATION, THE LICENSEE HAS**
6 **TRANSFERRED THE LICENSEE'S LICENSING INFORMATION TO NMLS IN**
7 **ACCORDANCE WITH § 12-105(C) OF THIS SUBTITLE.**

8 12-112.

9 (a) A license is not transferable.

10 (b) A licensee shall display the license conspicuously at the licensee's [place of
11 business] **LICENSED LOCATION** or mobile unit.

12 12-113.

13 (a) A licensee may not change the [place of business] **LOCATION** for which a
14 license is issued unless the licensee:

15 (1) [Notifies] **PROVIDES TO** the Commissioner, in [writing] **THE FORM**
16 **AND IN ACCORDANCE WITH THE PROCESS THAT THE COMMISSIONER REQUIRES,**
17 **NOTICE** of the proposed change; and

18 (2) Receives the written consent of the Commissioner **BY UNITED STATES**
19 **MAIL, E-MAIL, OR ANY MEANS PROVIDED THROUGH NMLS** prior to the change.

20 (b) If the Commissioner consents to a proposed change of [place of business]
21 **LOCATION, THE COMMISSIONER SHALL SEND** the licensee [shall attach the written
22 consent to the] **AN AMENDED** license.

23 12-408.

24 (a) [In this section, "Central Repository" means the Criminal Justice Information
25 System Central Repository of the Department of Public Safety and Correctional Services.

26 (b)] This section does not apply to any corporation the securities of which are
27 exempt from registration under § 11-601(8) or (12) of the Corporations and Associations
28 Article or any wholly owned subsidiary of the corporation.

29 [(c)] **(B)** In connection with an initial application for a license under § 12-407 of
30 this subtitle, and at any other time that the Commissioner requests, an applicant or
31 licensee shall provide to [the nationwide licensing system] **NMLS** information concerning
32 the applicant's identity, including:

1 (1) Fingerprints for submission to the Federal Bureau of Investigation, and
2 any other governmental agency or entity[, including the Central Repository,] authorized to
3 receive this information for a state, a national, or an international criminal history
4 background check;

5 (2) In the case of a sole proprietorship, personal history and experience in
6 a form prescribed by [the nationwide licensing system] **NMLS**, including the submission
7 of authorization for [the nationwide licensing system] **NMLS** and the Commissioner to
8 obtain:

9 (i) An independent credit report from a consumer reporting agency
10 described in the federal Fair Credit Reporting Act, 15 U.S.C. § 1681a(p); and

11 (ii) Information related to any administrative, civil, or criminal
12 findings by any governmental jurisdiction; and

13 (3) In the case of a corporation or another business entity:

14 (i) Business history in a form prescribed by [the nationwide
15 licensing system] **NMLS**, including:

16 1. The submission of a business credit report for the
17 applicant that is no older than 3 months before the date of the application; and

18 2. Information related to any administrative, civil, or
19 criminal findings by any governmental jurisdiction; and

20 (ii) For each control person, personal history in a form prescribed by
21 [the nationwide licensing system] **NMLS**.

22 [(d)] (C) Subject to § 12–408.1 of this subtitle, to implement this subtitle, the
23 Commissioner may use [the nationwide licensing system] **NMLS** as a channeling agent to
24 request information from and distribute information to the Department of Justice, any
25 other governmental agency with subject matter jurisdiction, and any other state licensing
26 entity that has money transmitters licensed or registered with [the nationwide licensing
27 system] **NMLS**.

28 [(e)] In addition to the requirements under subsection (c) of this section, in
29 connection with an initial application for a license under § 12–407 of this subtitle, and at
30 any other time that the Commissioner requests, an applicant or a licensee shall provide
31 fingerprints for use by the Central Repository to conduct criminal history records checks.]

32 [(f)] (D) An applicant or a licensee who is required to provide fingerprints under
33 subsection [(c) or (e)] (B) of this section shall pay the processing or other fees required by

1 [the Central Repository,] the Federal Bureau of Investigation[,] and [the nationwide
2 licensing system] **NMLS**.

3 [(g)] **(E)** The Commissioner may request from [the Central Repository,] the
4 Federal Bureau of Investigation[,] or [the nationwide licensing system] **NMLS**, as
5 applicable, for each person who is required to provide fingerprints under subsection [(c) or
6 (e)] **(B)** of this section:

7 (1) (i) The state, national, or international criminal history records of
8 the person; and

9 (ii) A printed statement listing any conviction or other disposition of,
10 and any plea of guilty or nolo contendere to, any criminal charge;

11 (2) (i) An update of the initial criminal history records check or
12 criminal history background check of the person; and

13 (ii) A revised statement listing any conviction or other disposition of,
14 and any plea of guilty or nolo contendere to, any criminal charge occurring after the date
15 of the initial criminal history records check or criminal history background check; and

16 (3) An acknowledged receipt of the application for a criminal history
17 records check or criminal history background check of the person.

18 [(h)] **(F)** If the applicant or licensee is a corporation or another business entity,
19 the fingerprinting and criminal history records check requirements under subsection [(c)
20 or (e)] **(B)** of this section shall apply to an executive officer, a general partner, or a managing
21 member of, or an individual serving in a similar capacity with respect to, the corporation
22 or other business entity, as requested by the Commissioner.

23 12-901.

24 (a) In this subtitle the following words have the meanings indicated.

25 (b) “Annual gross revenue” means income or revenue from all sources, before any
26 expenses or taxes, computed according to generally accepted accounting principles for the
27 preceding fiscal year.

28 **(C) “BRANCH LOCATION” MEANS ANY LOCATION OTHER THAN THE**
29 **PRINCIPAL EXECUTIVE OFFICE OF A LICENSEE OR LICENSE APPLICANT AT WHICH**
30 **THE LICENSEE CONDUCTS, OR THE LICENSE APPLICANT, ON LICENSURE, WILL**
31 **CONDUCT, ACTIVITIES REQUIRED TO BE LICENSED UNDER THIS SUBTITLE.**

32 [(c)] **(D)** “Consultation fee” means a fee paid by a consumer to a debt
33 management services provider in connection with the processing of any application that
34 the consumer makes for debt management services.

1 **[(d)] (E)** “Consumer” means an individual who:

2 (1) Resides in the State; and

3 (2) Is seeking debt management services or has entered into a debt
4 management services agreement.

5 **[(e)] (F)** “Consumer education program” means a program or plan that:

6 (1) Seeks to improve the financial literacy of consumers regarding personal
7 finance, budgeting, and credit and debt management; and

8 (2) Provides counseling tailored to the needs and circumstances of the
9 consumer with regard to options and strategies for addressing the consumer’s debt
10 problems, including:

11 (i) Creating and maintaining a budget;

12 (ii) Establishing debt management payment plans with creditors;

13 (iii) Negotiating directly with creditors on payment or interest rate
14 relief; and

15 (iv) Filing for bankruptcy.

16 **(G) (1) “CONTROL PERSON” MEANS A PERSON WHO HAS THE POWER,
17 DIRECTLY OR INDIRECTLY, TO DIRECT THE MANAGEMENT OR POLICIES OF A
18 LICENSEE OR LICENSE APPLICANT, WHETHER THROUGH OWNERSHIP OF
19 SECURITIES, BY CONTRACT, OR OTHERWISE.**

20 **(2) “CONTROL PERSON” INCLUDES A PERSON WHO:**

21 **(I) IS A GENERAL PARTNER, AN OFFICER, OR A DIRECTOR OF A
22 LICENSEE OR LICENSE APPLICANT, OR A MEMBER THAT OCCUPIES A SIMILAR
23 POSITION OR PERFORMS A SIMILAR FUNCTION;**

24 **(II) DIRECTLY OR INDIRECTLY HAS THE RIGHT TO VOTE 10% OR
25 MORE OF A CLASS OF VOTING SECURITIES, OR HAS THE POWER TO SELL OR DIRECT
26 THE SALE OF 10% OR MORE OF A CLASS OF VOTING SECURITIES, OF A LICENSEE OR
27 LICENSE APPLICANT; OR**

28 **(III) IN THE CASE OF A PARTNERSHIP, A LIMITED PARTNERSHIP,
29 A LIMITED LIABILITY PARTNERSHIP, A LIMITED LIABILITY COMPANY, OR ANY OTHER
30 BUSINESS ENTITY;**

1 **1. HAS THE RIGHT TO RECEIVE ON LIQUIDATION OR**
2 **DISSOLUTION OF A LICENSEE OR LICENSE APPLICANT 10% OR MORE OF THE**
3 **CAPITAL OF THE LICENSEE OR LICENSE APPLICANT; OR**

4 **2. HAS CONTRIBUTED 10% OR MORE OF THE CAPITAL OF**
5 **A LICENSEE OR LICENSE APPLICANT.**

6 **[(f)] (H)** “Debt management counselor” means a permanent, temporary, or
7 contractual employee of a debt management services provider or its agent who provides
8 counseling to consumers on behalf of the debt management services provider.

9 **[(g)] (I)** “Debt management services” means receiving funds periodically from a
10 consumer under an agreement with the consumer for the purpose of distributing the funds
11 among the consumer’s creditors in full or partial payment of the consumer’s debts.

12 **[(h)] (J)** “Debt management services agreement” means a written contract, plan,
13 or agreement between a debt management services provider and a consumer for the
14 performance of debt management services.

15 **[(i)] (K)** “Debt management services provider” means a person that provides or
16 offers to provide debt management services to a consumer.

17 **[(j)] (L)** “Licensee” means a person licensed under this subtitle to provide debt
18 management services.

19 **[(k)] (M)** “Maintenance fee” means a fee paid by a consumer to a debt
20 management services provider for the maintenance or servicing of the consumer’s accounts
21 with the consumer’s creditors in accordance with a debt management services agreement.

22 **[(l)] (N)** “Relative” means any of the following who are related to an individual
23 by blood, marriage, or adoption:

24 (1) A spouse;

25 (2) A child;

26 (3) A sibling;

27 (4) A parent;

28 (5) A grandparent;

29 (6) A grandchild;

30 (7) A stepparent;

1 (8) A stepchild;

2 (9) A stepsibling;

3 (10) An aunt; or

4 (11) An uncle.

5 **[(m)] (O)** “Resident agent” means an individual residing in the State or a
6 Maryland corporation whose name, address, and designation as a resident agent are filed
7 or recorded with the State Department of Assessments and Taxation in accordance with
8 the provisions of the Corporations and Associations Article.

9 **[(n)] (P)** “Trust account” means an account that is:

10 (1) Established in a financial institution that is federally insured;

11 (2) Separate from the debt management services provider’s operating
12 account;

13 (3) Designated as a “trust account” or by another appropriate designation
14 indicating that the funds in the account are not the funds of the licensee or its officers,
15 employees, or agents;

16 (4) Unavailable to creditors of the debt management services provider; and

17 (5) Used to hold funds paid by consumers to a debt management services
18 provider for disbursement to creditors of the consumers.

19 **(Q) “UNIQUE IDENTIFIER” MEANS A NUMBER OR ANOTHER IDENTIFIER**
20 **ASSIGNED BY NMLS.**

21 12–904.

22 [The Commissioner shall charge:

23 (1) (i) A fee for the issuance of an initial license under this subtitle in
24 an even-numbered year as follows:]

25 **(A) AN APPLICANT SHALL SUBMIT SEPARATE APPLICATIONS FOR THE**
26 **APPLICANT’S PRINCIPAL EXECUTIVE OFFICE AND EACH BRANCH LOCATION.**

27 **(B) WITH THE LICENSE APPLICATION FOR THE PRINCIPAL EXECUTIVE**
28 **OFFICE OF AN APPLICANT, THE APPLICANT SHALL PAY TO THE COMMISSIONER:**

1 **(1) A NONREFUNDABLE INVESTIGATION FEE OF \$1,000 FOR AN**
2 **INITIAL LICENSE; AND**

3 **(2) A LICENSE FEE FOR AN INITIAL LICENSE OR A LICENSE RENEWAL**
4 **FOR AN ADDITIONAL 1-YEAR TERM, AS FOLLOWS:**

5 [1. \$1,000] **(I) \$500**, if the applicant's annual gross revenue
6 is not more than \$3,000,000;

7 [2. \$2,000] **(II) \$1,000**, if the applicant's annual gross
8 revenue is more than \$3,000,000 but not more than \$6,000,000;

9 [3. \$4,000] **(III) \$2,000**, if the applicant's annual gross
10 revenue is more than \$6,000,000 but not more than \$15,000,000;

11 [4. \$6,000] **(IV) \$3,000**, if the applicant's annual gross
12 revenue is more than \$15,000,000 but not more than \$30,000,000; or

13 [5. \$8,000] **(V) \$4,000**, if the applicant's annual gross
14 revenue is more than \$30,000,000[; and].

15 **(C) WITH THE LICENSE APPLICATION FOR EACH BRANCH LOCATION OF AN**
16 **APPLICANT, THE APPLICANT SHALL PAY TO THE COMMISSIONER A \$100 LICENSE**
17 **FEE FOR AN INITIAL LICENSE OR A LICENSE RENEWAL FOR AN ADDITIONAL 1-YEAR**
18 **TERM.**

19 [(ii) A fee for the issuance of an initial license under this subtitle in
20 an odd-numbered year as follows:

21 1. \$500, if the applicant's annual gross revenue is not more
22 than \$3,000,000;

23 2. \$1,000, if the applicant's annual gross revenue is more
24 than \$3,000,000 but not more than \$6,000,000;

25 3. \$2,000, if the applicant's annual gross revenue is more
26 than \$6,000,000 but not more than \$15,000,000;

27 4. \$3,000, if the applicant's annual gross revenue is more
28 than \$15,000,000 but not more than \$30,000,000; or

29 5. \$4,000, if the applicant's annual gross revenue is more
30 than \$30,000,000;

31 **(2) A fee for renewal of a license issued under this subtitle as follows:**

1 (i) \$1,000, if the applicant's annual gross revenue is not more than
2 \$3,000,000;

3 (ii) \$2,000, if the applicant's annual gross revenue is more than
4 \$3,000,000 but not more than \$6,000,000;

5 (iii) \$4,000, if the applicant's annual gross revenue is more than
6 \$6,000,000 but not more than \$15,000,000;

7 (iv) \$6,000, if the applicant's annual gross revenue is more than
8 \$15,000,000 but not more than \$30,000,000; or

9 (v) \$8,000, if the applicant's annual gross revenue is more than
10 \$30,000,000;

11 (3) A fee of \$100, for each location in the State at which a licensee provides
12 debt management services under this subtitle, payable at the time of application for an
13 initial license and at each renewal of a license; and

14 (4) A fee of \$1,000, for an investigation of an applicant under this subtitle,
15 payable at the time of application for an initial license.]

16 12-906.

17 (A) Whether or not the person maintains an office in this State, a person may not
18 provide debt management services to consumers unless the person:

19 (1) Is licensed by the Commissioner under this subtitle; or

20 (2) Is exempt from licensing under this subtitle.

21 (B) A SEPARATE LICENSE IS REQUIRED FOR THE PRINCIPAL EXECUTIVE
22 OFFICE OF THE LICENSE APPLICANT OR LICENSEE AND EACH BRANCH LOCATION.

23 (C) DURING THE TIME PERIOD ESTABLISHED BY THE COMMISSIONER
24 UNDER SUBSECTION (D) OF THIS SECTION, EACH LICENSEE SHALL:

25 (1) OBTAIN AND MAINTAIN A VALID UNIQUE IDENTIFIER ISSUED BY
26 NMLS WHEN AN ACCOUNT IS CREATED WITH NMLS;

27 (2) TRANSFER LICENSING INFORMATION TO NMLS; AND

28 (3) PAY TO THE COMMISSIONER A LICENSE EXTENSION FEE
29 CALCULATED IN ACCORDANCE WITH SUBSECTION (D)(5) OF THIS SECTION.

1 **(D) (1) THE COMMISSIONER SHALL ESTABLISH A TIME PERIOD THAT IS**
2 **NOT LESS THAN 2 MONTHS WITHIN WHICH A LICENSEE MUST TRANSFER LICENSING**
3 **INFORMATION TO NMLS.**

4 **(2) THE TIME PERIOD THAT THE COMMISSIONER ESTABLISHES**
5 **UNDER THIS SUBSECTION SHALL BEGIN ON OR AFTER JULY 1, 2017.**

6 **(3) AT LEAST 30 DAYS BEFORE THE TRANSFER PERIOD BEGINS, THE**
7 **COMMISSIONER SHALL:**

8 **(I) NOTIFY ALL LICENSEES OF THE TRANSFER PERIOD; AND**

9 **(II) PROVIDE INSTRUCTIONS FOR THE TRANSFER OF LICENSING**
10 **INFORMATION TO NMLS.**

11 **(4) FOR EACH LICENSEE THAT COMPLIES WITH SUBSECTION (C) OF**
12 **THIS SECTION, THE TERM OF THE LICENSEE'S LICENSE SHALL EXTEND TO**
13 **DECEMBER 31 OF THE YEAR IN WHICH THE LICENSE OTHERWISE WOULD HAVE**
14 **EXPIRED.**

15 **(5) THE LICENSE EXTENSION FEE REQUIRED UNDER SUBSECTION**
16 **(C)(3) OF THIS SECTION IS NONREFUNDABLE AND, BASED ON THE ANNUAL LICENSE**
17 **FEE, SHALL BE PRORATED TO THE NUMBER OF DAYS BETWEEN THE DATE THE**
18 **LICENSE OTHERWISE WOULD HAVE EXPIRED AND DECEMBER 31 OF THE SAME YEAR.**

19 **(E) SUBJECT TO SUBSECTION (C) OF THIS SECTION, AN APPLICANT FOR AN**
20 **INITIAL LICENSE OR A LICENSE RENEWAL SHALL APPLY FOR THE INITIAL LICENSE**
21 **OR LICENSE RENEWAL THROUGH NMLS:**

22 **(1) ON OR AFTER JULY 1, 2017; OR**

23 **(2) IF THE COMMISSIONER HAS NOT JOINED NMLS WITH RESPECT**
24 **TO PERSONS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE AS OF JULY 1, 2017,**
25 **ON OR AFTER THE DATE THAT THE COMMISSIONER JOINS, AS SPECIFIED BY THE**
26 **COMMISSIONER BY PUBLIC NOTICE.**

27 12-908.

28 (a) To apply for a license, an applicant shall [submit to the Commissioner an
29 application on the form that the Commissioner provides]:

30 **(1) COMPLETE, SIGN, AND SUBMIT TO THE COMMISSIONER AN**
31 **APPLICATION MADE UNDER OATH IN THE FORM, AND IN ACCORDANCE WITH THE**
32 **PROCESS, THAT THE COMMISSIONER REQUIRES; AND**

1 **(2) PROVIDE ALL THE INFORMATION THAT THE COMMISSIONER**
2 **REQUESTS.**

3 (b) The application shall include:

4 (1) The applicant's name, [business address, telephone number, electronic
5 mail address, if any, and website address, if any] **PRINCIPAL EXECUTIVE OFFICE**
6 **ADDRESS, AND WEB SITE ADDRESS, IF ANY, AND, IF THE APPLICANT IS NOT AN**
7 **INDIVIDUAL, THE NAME AND RESIDENCE ADDRESS OF EACH CONTROL PERSON, IF**
8 **ANY;**

9 (2) The address of each [location in the State] **BRANCH LOCATION, IF**
10 **ANY, at which the applicant will provide debt management services;**

11 (3) The name and address of each owner, officer, director, and principal of
12 the applicant **WHO IS NOT A CONTROL PERSON;**

13 (4) The name, address, and telephone number of the applicant's resident
14 agent in the State;

15 (5) A description of the ownership interest of any officer, director, agent, or
16 employee of the applicant in any affiliate or subsidiary of the applicant or in any other
17 business entity that provides any service to the applicant or any consumer relating to the
18 applicant's debt management services business;

19 (6) The name and address of any agent acting on behalf of the applicant to
20 manage a trust account required under § 12-917 of this subtitle;

21 (7) The applicant's federal employer identification number;

22 (8) A list of any state in which:

23 (i) The applicant engages in the business of providing debt
24 management services;

25 (ii) The applicant is registered or licensed to provide debt
26 management services; and

27 (iii) The applicant's registration or license has been suspended or
28 revoked;

29 (9) A statement of whether any pending judgment, tax lien, material
30 litigation, or administrative action by any government agency exists against the applicant;

1 (10) The most recent, unconsolidated financial statement of the applicant
2 that:

3 (i) Is prepared in accordance with generally accepted accounting
4 principles applied on a consistent basis;

5 (ii) Includes a certified opinion audit prepared by an independent
6 certified public accountant; and

7 (iii) Was prepared no more than 12 months before the date of
8 application;

9 (11) If applicable, evidence of nonprofit status under § 501(c) of the Internal
10 Revenue Code;

11 (12) If the applicant is a corporation, a detailed description of the applicant's
12 corporate structure, including parent companies, subsidiaries, and affiliates;

13 (13) The applicant's business credit report;

14 (14) Evidence of general liability or fidelity insurance that insures against
15 dishonesty, fraud, theft, or other malfeasance on the part of an employee of the applicant;

16 (15) A description of the applicant's consumer education program that is
17 provided to consumers;

18 (16) A description of the applicant's financial analysis and initial budget
19 plan, including any form or electronic model, that are used to evaluate the financial
20 condition of consumers;

21 (17) A copy of the debt management services agreement that the applicant
22 will use in its debt management services business;

23 (18) A copy of the applicant's plan to ensure that each debt management
24 counselor is certified by an independent organization within 6 months after the debt
25 management counselor is hired, and that any employee who is a supervisor or manager of
26 a debt management counselor is certified by an independent organization within 3 months
27 after the employee is hired;

28 (19) The most recent financial statement of each affiliate, subsidiary, or
29 other person that provides services related to debt management services for the applicant
30 or for any consumer;

31 (20) A copy of each contract or fee-for-service arrangement between the
32 applicant and any person that provides services related to the debt management services
33 business; [and]

1 (21) A SURETY BOND AS REQUIRED UNDER § 12-914 OF THIS
2 SUBTITLE; AND

3 (22) Any other information that the Commissioner reasonably requires.

4 (c) The Commissioner may refuse an application if it contains erroneous or
5 incomplete information.

6 [(d) With the application, the applicant shall pay to the Commissioner:

7 (1) A license fee in the amount established under § 12-904 of this subtitle;
8 and

9 (2) A nonrefundable investigation fee in the amount established under §
10 12-904 of this subtitle.

11 (e) With the application, the applicant shall file a surety bond with the
12 Commissioner as provided in § 12-914 of this subtitle.]

13 12-909.

14 (a) In connection with an initial application, a renewal application, and at any
15 other time the Commissioner requests, an applicant or licensee shall provide fingerprints
16 **TO NMLS** for use by the Federal Bureau of Investigation [and the Maryland Criminal
17 Justice Information System Central Repository of the Department of Public Safety and
18 Correctional Services] to conduct criminal history records checks.

19 (b) An applicant or licensee required to provide fingerprints under this section
20 shall pay any processing or other required fee.

21 (c) If the applicant or licensee is a corporation, the fingerprinting and criminal
22 history records check requirements shall apply to the president and any other officer,
23 director, principal, or owner of the corporation as required by the Commissioner.

24 (d) [The Commissioner shall require any] **ANY** agent acting on behalf of a licensee
25 to manage a trust account required under § 12-917 of this subtitle, and any agent of the
26 licensee who has access to the account, [to] **SHALL** provide **TO NMLS** fingerprints for use
27 by the Federal Bureau of Investigation [and the Maryland Criminal Justice Information
28 System Central Repository of the Department of Public Safety and Correctional Services]
29 to conduct criminal history records checks.

30 12-910.

31 (a) After an applicant for a license files a complete application, files a surety bond,
32 and pays the license and investigation fees required under this subtitle, the Commissioner

1 shall investigate the facts relevant to the application to determine if the applicant meets
2 the requirements of this subtitle.

3 (b) Unless the Commissioner notifies an applicant that a different time period is
4 necessary, the Commissioner shall approve or deny each application for a license within 60
5 days after the date on which the complete application is filed, the surety bond is filed, and
6 the fees are paid.

7 (c) The Commissioner shall issue a license to any applicant that meets the
8 requirements of this subtitle.

9 (d) (1) If an applicant does not meet the requirements of this subtitle, the
10 Commissioner:

11 (i) Subject to the hearing provisions of § 12-927 of this subtitle,
12 shall deny the application;

13 (ii) Shall notify the applicant immediately of the denial;

14 (iii) Shall refund the license fee; and

15 (iv) Shall keep the investigation fee.

16 (2) (I) Within 30 days after the Commissioner denies an application,
17 the Commissioner shall [state] **SEND A WRITTEN NOTICE TO THE APPLICANT STATING**
18 the reasons for the denial [in writing and mail them].

19 (II) **THE NOTICE SHALL BE SENT BY UNITED STATES MAIL,**
20 **E-MAIL, OR ANY MEANS PROVIDED THROUGH NMLS** to [the applicant at] the address
21 listed in the application.

22 12-911.

23 (a) The Commissioner shall include on each license:

24 (1) The name of the licensee;

25 (2) The address **OF THE LOCATION** at which the business is to be
26 conducted; and

27 (3) The [debt management services license number of the licensee]
28 **LICENSE NUMBER AND UNIQUE IDENTIFIER OF THE LICENSEE.**

29 (b) A license authorizes the licensee to provide debt management services.

30 (c) A license may not be transferred, assigned, or pledged.

1 (d) (1) If the licensee has an office in the State, the licensee shall prominently
2 display the license in a location that is open to the public and at which the licensee engages
3 in the business of providing debt management services.

4 (2) If the licensee does not maintain an office in the State, the licensee shall
5 maintain the license in the licensee's headquarters.

6 (e) A licensee that offers or provides debt management services through the
7 Internet shall include the following notice on its website:

8 "The Commissioner of Financial Regulation for the State of Maryland will accept any
9 questions and complaints from Maryland residents regarding (name and license number of
10 the debt management services provider) at (address of Commissioner), phone (toll-free
11 number of the Commissioner)".

12 **(F) ONLY ONE LOCATION MAY BE MAINTAINED UNDER ANY ONE LICENSE.**

13 12-912.

14 [(a) A license issued under this subtitle expires on December 31 of each
15 odd-numbered year unless it is renewed for a 2-year term as provided in subsection (b) of
16 this section.]

17 **(A) AN INITIAL LICENSE TERM SHALL:**

18 **(1) BEGIN ON THE DATE THE LICENSE IS ISSUED; AND**

19 **(2) EXPIRE ON DECEMBER 31 OF THE YEAR:**

20 **(i) IN WHICH THE LICENSE IS ISSUED, IF THE LICENSE IS**
21 **ISSUED BEFORE NOVEMBER 1; OR**

22 **(ii) IMMEDIATELY FOLLOWING THE YEAR THAT THE LICENSE IS**
23 **ISSUED, IF THE LICENSE IS ISSUED ON OR AFTER NOVEMBER 1.**

24 (b) On or [before December] **AFTER NOVEMBER 1** of the year [of expiration,] **IN**
25 **WHICH** a license **EXPIRES, THE LICENSE** may be renewed for [a 2-year] **AN ADDITIONAL**
26 **1-YEAR** term if the licensee:

27 (1) Otherwise is entitled to be licensed;

28 (2) Pays to the Commissioner the renewal fee established under § 12-904
29 of this subtitle;

1 (3) Files with the Commissioner a surety bond renewal certificate or a new
2 surety bond required under § 12-914 of this subtitle; and

3 (4) Submits to the Commissioner a renewal application [on] **IN** the form,
4 **AND IN ACCORDANCE WITH THE PROCESS**, that the Commissioner requires.

5 (c) **[The] TO THE EXTENT REQUIRED OR PERMITTED BY NMLS, THE**
6 Commissioner may determine that licenses issued under this subtitle shall expire on a
7 staggered basis.

8 **(D) A LICENSEE MAY NOT RENEW A LICENSE UNLESS, BEFORE THE**
9 **SUBMISSION OF THE LICENSE RENEWAL APPLICATION, THE LICENSEE HAS**
10 **TRANSFERRED THE LICENSEE'S LICENSING INFORMATION TO NMLS IN**
11 **ACCORDANCE WITH § 12-906(C) OF THIS SUBTITLE.**

12 12-913.

13 (a) (1) A licensee may surrender a license by sending to the Commissioner, **IN**
14 **THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT THE COMMISSIONER**
15 **REQUIRES**, a [written] statement that the license is surrendered.

16 (2) The statement shall provide:

17 (i) The reason for the license surrender;

18 (ii) For each consumer for whom the licensee is providing debt
19 management services, the following information:

20 1. The name of the consumer;

21 2. The total amount of funds held by the licensee for
22 distribution to the consumer's creditors; and

23 3. The name of each creditor of the consumer that is receiving
24 payments from the licensee for debts owed by the consumer to the creditor, and the
25 outstanding balance owed to each creditor.

26 (b) The surrender of a license does not:

27 (1) Affect any administrative, civil, or criminal liability of the licensee for
28 acts committed before the license is surrendered;

29 (2) Affect the surety bond required under § 12-914 of this subtitle; or

30 (3) Entitle the licensee to the return of any fee paid to the Commissioner
31 under § 12-904 of this subtitle.

1 12-915.

2 (a) (1) A licensee shall give the Commissioner written notice of any change in
3 the information required to be included in the licensee's application under § 12-908(b)(1)
4 and (2) of this subtitle at least 30 days before the change is effective.

5 (2) The licensee shall provide with the notice evidence that, after the
6 change described in the notice, the licensee will continue to satisfy the surety bond
7 requirement under § 12-914 of this subtitle.

8 (b) Unless approved by the Commissioner, a licensee may not change [an owner,
9 officer, director, or principal] **A CONTROL PERSON** of the licensee, or an agent who is acting
10 on behalf of the licensee to manage a trust account, listed on the licensee's application under
11 § 12-908(b)(3) and (6) of this subtitle.

12 (c) (1) To request approval of a proposed change described in subsection (b) of
13 this section, the licensee shall notify the Commissioner in writing of the proposed change
14 and submit any information that the Commissioner requires.

15 (2) For a proposed change in owner or agent acting on behalf of the licensee
16 to manage a trust account, the Commissioner may determine that the filing of a new
17 application for the issuance of a license is warranted.

18 (3) Unless the Commissioner notifies the licensee that a different time
19 period is necessary, the Commissioner shall approve or deny a request for a change
20 described in subsection (b) of this section within 60 days after the date the Commissioner
21 receives all information required under paragraph (1) of this subsection.

22 SECTION 2. AND BE IT FURTHER ENACTED, That the changes made to the
23 licensing requirements for persons required to be licensed under Title 11, Subtitles 2, 3,
24 and 4 and Title 12, Subtitles 1 and 9 of the Financial Institutions Article and Title 7 of the
25 Business Regulation Article, as enacted by Section 1 of this Act, shall be construed to apply
26 only prospectively and, except as provided in Section 1 of this Act, may not be interpreted
27 to affect the validity or term of any license issued or renewed before the effective date of
28 this Act.

29 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July
30 1, 2017.