

HOUSE BILL 848

I3

(8lr0119)

ENROLLED BILL

— Economic Matters/Finance —

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

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Commissioner of Financial Regulation – Consumer Reporting Agencies**

3 FOR the purpose of ~~altering the number of consumer reports that a consumer reporting~~
4 ~~agency must provide without imposing a fee; altering a certain prohibition on a~~
5 ~~consumer bringing a certain action or proceeding against a consumer reporting~~
6 ~~agency; altering the manner in which a consumer may place, temporarily lift, or~~
7 ~~remove a security freeze on the consumer’s report; requiring a consumer reporting~~
8 ~~agency to develop certain procedures involving the use of certain secure connections~~
9 ~~to receive and process certain requests to place or remove a security freeze;~~
10 ~~authorizing a consumer reporting agency to develop certain electronic methods~~
11 ~~under certain circumstances; altering the requirement that a consumer reporting~~
12 ~~agency comply with a certain request; requiring, rather than authorizing, a~~
13 ~~consumer reporting agency to develop certain procedures for the temporary lift and~~
14 ~~removal of a security freeze and altering the type of procedures required; prohibiting~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

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

Italics indicate opposite chamber/conference committee amendments.



~~a consumer reporting agency from charging a consumer or a protected consumer for any service relating to a security freeze; altering a certain notice that must be included with a certain summary of rights provided to a consumer; altering the requirement that a consumer reporting agency place a security freeze for a certain protected consumer and the time period in which a consumer reporting agency must place a security freeze for a protected consumer; requiring a consumer reporting agency to establish certain procedures to facilitate the prompt identification of certain protected consumers; altering the manner in which a protected consumer or a protected consumer's representative must remove a security freeze for the protected consumer; requiring the Department of Human Services and the Department of Public Safety and Correctional Services to transmit certain information to a consumer reporting agency in a certain time period; authorizing each department to enter into certain agreements with a consumer reporting agency; requiring a consumer reporting agency to notify certain protected consumers who lose their status as protected consumers of certain provisions relating to security freezes; prohibiting a person from operating as a consumer reporting agency unless the person is registered as~~ requiring a consumer reporting agency to register each year with the Commissioner of Financial Regulation; requiring a consumer reporting agency to take certain actions and include certain information in order to submit a registration with the Commissioner; providing that a registration is not complete unless it meets certain requirements; requiring certain fees and other revenues collected to be deposited in a certain fund under certain circumstances; ~~requiring a consumer reporting agency to obtain and maintain a certain unique identifier and transfer registration information to a certain nationwide licensing system within a certain time period; requiring the Commissioner to establish a certain time period and provide a certain notification regarding a certain transfer; requiring a consumer reporting agency to submit an initial registration or registration renewal through a certain nationwide licensing system under certain circumstances; establishing a certain registration term and certain requirements and procedures related to a registration renewal for a consumer reporting agency;~~ authorizing the Commissioner to require a consumer reporting agency to register through a certain nationwide licensing system or through certain other means; requiring a registrant to file a certain surety bond with the Commissioner under certain circumstances and requiring the bond to meet certain requirements; providing for the liability of a certain surety and the manner in which certain claims and penalties must be processed; authorizing the cancellation of a certain bond and specifying the manner in which the bond must be canceled; authorizing certain claims to be filed against a certain bond; altering the authority of the Commissioner to take certain enforcement actions and impose certain penalties; requiring the Commissioner to pay certain fines and penalties into certain funds; requiring and authorizing the Commissioner to adopt certain regulations; requiring a registrant to pay a certain fee for certain investigations; providing that certain requirements regarding the privacy or confidentiality of certain information or material provided to a certain nationwide licensing system continue to apply after disclosure of the information or material to the system; authorizing certain information and materials to be shared with certain officials under certain circumstances; authorizing the Commissioner to enter into certain information-sharing agreements and exchange certain information;

1 providing that certain provisions of this Act supersede certain provisions of law
 2 under certain circumstances; authorizing the Commissioner to participate in a
 3 certain nationwide licensing system for consumer reporting agencies; altering the
 4 composition and purpose of the Nondepository Special Fund; requiring the annual
 5 State budget to include certain costs and expenses ~~relating to the regulation of~~
 6 ~~consumer reporting agencies~~; requiring certain excess revenue to be carried forward
 7 within the Fund; providing that the powers and authority conferred by this Act are
 8 supplemental to other powers of the Commissioner; providing for the application of
 9 certain provisions of this Act; defining certain terms; altering certain definitions;
 10 making conforming changes; making stylistic changes; and generally relating to the
 11 Commissioner of Financial Regulation and consumer reporting agencies.

12 ~~BY repealing~~

13 ~~Article – Commercial Law~~

14 ~~Section 14–1212.3~~

15 ~~Annotated Code of Maryland~~

16 ~~(2013 Replacement Volume and 2017 Supplement)~~

17 BY renumbering

18 Article – Commercial Law

19 Section 14–1213 through 14–1218, respectively

20 to be Section ~~14–1222~~ 14–1221 through ~~14–1227~~ 14–1226, respectively

21 Annotated Code of Maryland

22 (2013 Replacement Volume and 2017 Supplement)

23 BY adding to

24 Article – Commercial Law

25 New part designation “Part I. General Provisions” to immediately precede Section
 26 14–1201; Section 14–1215 through ~~14–1219~~ 14–1218 to be under the new part

27 “Part II. Registration and Bond Requirements”; the new part designation

28 “Part III. Enforcement, Penalties, and Miscellaneous Provisions” to

29 immediately precede Section ~~14–1222~~ 14–1221; and ~~14–1228~~ 14–1227

30 Annotated Code of Maryland

31 (2013 Replacement Volume and 2017 Supplement)

32 BY repealing and reenacting, with amendments,

33 Article – Commercial Law

34 ~~Section 14–1201, 14–1207(e), 14–1209, 14–1212.1(e), (e), (h), (i), (j), and (l), and~~

35 ~~14–1212.2~~ Section 14–1201, 14–1207(e), 14–1212.1(c), (e), (h), and (l), and

36 14–1212.2(a) and (k)

37 Annotated Code of Maryland

38 (2013 Replacement Volume and 2017 Supplement)

39 BY repealing and reenacting, without amendments,

40 Article – Commercial Law

41 Section 14–1212.1(g)

42 Annotated Code of Maryland

1 (2013 Replacement Volume and 2017 Supplement)

2 BY repealing and reenacting, without amendments,
 3 Article – Commercial Law
 4 Section ~~14-1222(a)~~ 14-1221(a)
 5 Annotated Code of Maryland
 6 (2013 Replacement Volume and 2017 Supplement)
 7 (As enacted by Section ~~2~~ 1 of this Act)

8 BY repealing and reenacting, with amendments,
 9 Article – Commercial Law
 10 Section ~~14-1227~~ 14-1226
 11 Annotated Code of Maryland
 12 (2013 Replacement Volume and 2017 Supplement)
 13 (As enacted by Section ~~2~~ 1 of this Act)

14 BY repealing and reenacting, without amendments,
 15 Article – Financial Institutions
 16 Section 1-101(a)
 17 Annotated Code of Maryland
 18 (2011 Replacement Volume and 2017 Supplement)

19 BY repealing and reenacting, with amendments,
 20 Article – Financial Institutions
 21 Section 1-101(q), 2-105.1, and 11-610(a) through (d)
 22 Annotated Code of Maryland
 23 (2011 Replacement Volume and 2017 Supplement)

24 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 25 That Section(s) ~~14-1212.3 of Article – Commercial Law of the Annotated Code of Maryland~~
 26 ~~be repealed.~~

27 ~~SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 14-1213 through~~
 28 ~~14-1218, respectively, of Article – Commercial Law of the Annotated Code of Maryland be~~
 29 ~~renumbered to be Section(s) ~~14-1222 through 14-1227~~ 14-1221 through 14-1226,~~
 30 ~~respectively.~~

31 SECTION ~~2~~ 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
 32 as follows:

33 **Article – Commercial Law**

34 **PART I. GENERAL PROVISIONS.**

35 14-1201.

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

1 **(B) “BREACH OF THE SECURITY OF A SYSTEM” HAS THE MEANING STATED**
2 **IN § 14–3504 OF THIS TITLE.**

3 **[(b)] (C)** “Commissioner” means the Commissioner of Financial Regulation of
4 the Department of Labor, Licensing, and Regulation.

5 **[(c)] (D)** “Consumer” means an individual.

6 **[(d)] (E)** (1) “Consumer report” means any written, oral, or other
7 communication of any information by a consumer reporting agency bearing on a consumer’s
8 credit worthiness, credit standing, credit capacity, character, general reputation, personal
9 characteristics, or mode of living which is used or expected to be used or collected in whole
10 or in part for the purpose of serving as a factor in establishing the consumer’s eligibility
11 for:

12 (i) Credit or insurance to be used primarily for personal, family, or
13 household purposes;

14 (ii) Employment purposes; or

15 (iii) Other purposes authorized under § 14–1202 of this subtitle.

16 (2) The term does not include:

17 (i) Any report containing information solely as to transactions or
18 experiences between the consumer and the person making the report;

19 (ii) Any authorization or approval of a specific extension of credit
20 directly or indirectly by the issuer of a credit card or similar device; or

21 (iii) Any report in which a person who has been requested by a third
22 party to make a specific extension of credit directly or indirectly to a consumer conveys his
23 decision with respect to the request, if the third party advises the consumer of the name
24 and address of the person to whom the request was made and the person makes the
25 disclosures to the consumer required under § 14–1212 of this subtitle.

26 **[(e)] (F)** (1) “Consumer reporting agency” means any person which, for
27 monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or in
28 part in the practice of assembling or evaluating consumer credit information or other
29 information on consumers for the purpose of furnishing consumer reports to third parties,
30 and which uses any means or facility of commerce for the purpose of preparing or furnishing
31 consumer reports.

32 (2) “Consumer reporting agency” does not include:

1 (i) A person licensed as a private detective agency or certified as a
2 private detective under the Maryland Private Detectives Act; or

3 (ii) A person who assembles and exchanges consumer credit
4 information with an affiliated person or a person who is owned or controlled by the same
5 entity, provided that, in the event of an adverse credit decision against a consumer based
6 on that information, the entity making the decision shall comply with the notice
7 requirements of § 14-1212(b) of this subtitle.

8 ~~(c) (1) "CONTROL PERSON" MEANS A PERSON THAT HAS THE POWER,~~
9 ~~DIRECTLY OR INDIRECTLY, TO DIRECT THE MANAGEMENT OR POLICIES OF A~~
10 ~~REGISTRANT, WHETHER THROUGH OWNERSHIP OF SECURITIES, BY CONTRACT, OR~~
11 ~~OTHERWISE.~~

12 ~~(2) "CONTROL PERSON" INCLUDES A PERSON THAT:~~

13 ~~(i) IS A GENERAL PARTNER, AN OFFICER, A DIRECTOR, OR A~~
14 ~~MEMBER, OR OCCUPIES A SIMILAR POSITION OR PERFORMS A SIMILAR FUNCTION;~~

15 ~~(ii) 1. DIRECTLY OR INDIRECTLY HAS THE RIGHT TO VOTE~~
16 ~~5% OR MORE OF A CLASS OF VOTING SECURITIES OF A REGISTRANT; OR~~

17 ~~2. HAS THE POWER TO SELL OR DIRECT THE SALE OF 5%~~
18 ~~OR MORE OF A CLASS OF VOTING SECURITIES OF A REGISTRANT; 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 REGISTRANT 5% OR MORE OF THE CAPITAL OF THE REGISTRANT;~~
24 ~~OR~~

25 ~~2. HAS CONTRIBUTED 5% OR MORE OF THE CAPITAL OF~~
26 ~~A REGISTRANT.~~

27 [(f)] ~~(H)~~ (G) "Employment purposes" when used in connection with a consumer
28 report means a report used for the purpose of evaluating a consumer for employment,
29 promotion, reassignment, or retention as an employee.

30 [(g)] ~~(I)~~ (H) "File", when used in connection with information on any consumer,
31 means all of the information on that consumer recorded and retained by a consumer
32 reporting agency regardless of how the information is stored.

1 ~~(J) "FOSTER CARE" HAS THE MEANING STATED IN § 5-501 OF THE FAMILY~~
 2 ~~LAW ARTICLE.~~

3 ~~(K) "INMATE" HAS THE MEANING STATED~~

4 (I) "INCARCERATED PERSON" MEANS AN INMATE AS DEFINED IN § 1-101
 5 OF THE CORRECTIONAL SERVICES ARTICLE WHO HAS BEEN SENTENCED TO A
 6 CORRECTIONAL FACILITY FOR A PERIOD OF 1 YEAR OR MORE.

7 [(h)] ~~(J)~~ "Investigative consumer report" means a consumer report or portion of
 8 it in which information on a consumer's character, general reputation, personal
 9 characteristics, or mode of living is obtained through personal interviews with neighbors,
 10 friends, or associates of the consumer reported on or with others with whom he is
 11 acquainted or who may have knowledge concerning any items of information. However, the
 12 information does not include specific factual information on a consumer's credit record
 13 obtained directly from a creditor of the consumer or from a consumer reporting agency when
 14 the information was obtained directly from a creditor of the consumer or from the consumer.

15 ~~(M) "LOCAL DEPARTMENT" MEANS:~~

16 ~~(1) A LOCAL DEPARTMENT OF SOCIAL SERVICES CREATED OR~~
 17 ~~CONTINUED IN A COUNTY OF THE STATE OR IN BALTIMORE CITY UNDER § 3-201 OF~~
 18 ~~THE HUMAN SERVICES ARTICLE; OR~~

19 ~~(2) IN MONTGOMERY COUNTY, THE MONTGOMERY COUNTY~~
 20 ~~DEPARTMENT OF HEALTH AND HUMAN SERVICES.~~

21 [(i)] ~~(N)~~ (K) "Medical information" means information or records obtained, with the
 22 consent of the individual to whom it relates, from licensed physicians or medical
 23 practitioners, hospitals, clinics, or other medical or medically related facilities.

24 ~~(O)~~ (L) "NATIONWIDE MORTGAGE LICENSING SYSTEM AND REGISTRY"
 25 OR "NMLS" HAS THE MEANING STATED IN § 1-101 OF THE FINANCIAL
 26 INSTITUTIONS ARTICLE.

27 ~~(P) "PERIOD OF MILITARY SERVICE" MEANS THE PERIOD BEGINNING ON~~
 28 ~~THE DATE ON WHICH A SERVICE MEMBER ENTERS MILITARY SERVICE AND ENDING~~
 29 ~~ON THE DATE ON WHICH THE SERVICE MEMBER IS RELEASED FROM MILITARY~~
 30 ~~SERVICE OR DIES WHILE IN MILITARY SERVICE.~~

31 [(j)] ~~(Q)~~ (M) "Person" includes an individual, corporation, government or
 32 governmental subdivision or agency, business trust, statutory trust, estate, trust,
 33 partnership, association, two or more persons having a joint or common interest, and any
 34 other legal or commercial entity.

1 ~~(R) "REGISTRANT" MEANS A PERSON REGISTERED WITH THE~~
 2 ~~COMMISSIONER UNDER THIS SUBTITLE AS A CONSUMER REPORTING AGENCY.~~

3 ~~(S) (N) "SERVICE MEMBER" MEANS AN INDIVIDUAL WHO IS AN ACTIVE~~
 4 ~~DUTY MEMBER OF:~~

5 ~~(1) THE ARMED FORCES OF THE UNITED STATES;~~

6 ~~(2) A RESERVE COMPONENT OF THE ARMED FORCES OF THE UNITED~~
 7 ~~STATES; OR~~

8 ~~(3) THE NATIONAL GUARD OF ANY STATE IN MILITARY SERVICE WHO:~~

9 ~~(1) (I) IS ON ACTIVE DUTY AS DEFINED IN SECTION 101(D)(1) OF~~
 10 ~~TITLE 10 OF THE UNITED STATES CODE; OR~~

11 ~~(II) IS A RESERVIST PERFORMING DUTY UNDER A CALL OR~~
 12 ~~ORDER TO ACTIVE DUTY UNDER SECTION 101(A)(13) OF TITLE 10 OF THE UNITED~~
 13 ~~STATES CODE; AND~~

14 ~~(2) IS ASSIGNED TO SERVICE AWAY FROM THE USUAL DUTY STATION~~
 15 ~~OF THE INDIVIDUAL.~~

16 ~~(T) (O) "STATE CORRECTIONAL FACILITY" HAS THE MEANING STATED IN~~
 17 ~~§ 1-101 OF THE CORRECTIONAL SERVICES ARTICLE.~~

18 14-1207.

19 (e) Except as provided in [§ 14-1213] ~~§ 14-1222~~ § 14-1221 of this subtitle, no
 20 consumer may:

21 (1) EXCEPT AS TO FALSE INFORMATION FURNISHED WITH MALICE OR
 22 WILLFUL INTENT TO INJURE THE CONSUMER, bring any action or proceeding in the
 23 nature of defamation, invasion of privacy, or negligence with respect to the reporting of
 24 information against any consumer reporting agency, any user of information, based on
 25 information disclosed pursuant to this section or § 14-1206 or § 14-1212 of this subtitle[,
 26 except as to false information furnished with malice or willful intent to injure the consumer.
 27 Except as provided in § 14-1213 of this subtitle, no consumer may bring]; OR

28 (2) BRING any action or proceeding against a person who furnishes
 29 information to a consumer reporting agency in the nature of defamation, invasion of
 30 privacy, or negligence for unintentional error.

31 ~~14-1209.~~

1 ~~(a) Notwithstanding the provisions of subsection (b) of this section, a consumer~~
2 ~~reporting agency may not impose a fee for:~~

3 ~~(1) A consumer report provided under § 14-1206(a) of this subtitle [one~~
4 ~~time] TWO TIMES during a 12-month period;~~

5 ~~(2) A consumer report or disclosure provided under §§ 14-1206(a) and~~
6 ~~14-1208(c) of this subtitle if the consumer makes a request for the report within 30 days~~
7 ~~after receipt by the consumer of a notification under § 14-1212 of this subtitle or~~
8 ~~notification from a debt collection agency affiliated with a consumer reporting agency~~
9 ~~stating that the consumer's credit rating may be or has been adversely affected; or~~

10 ~~(3) A disclosure made under § 14-1208(e) of this subtitle to a person~~
11 ~~designated by the consumer of the deletion from the consumer report of information that is~~
12 ~~found to be inaccurate or can no longer be verified.~~

13 ~~(b) (1) A consumer reporting agency may charge a consumer a reasonable fee:~~

14 ~~(i) For a [second] THIRD or subsequent report made during a~~
15 ~~12-month period under § 14-1206(a) of this subtitle, not exceeding \$5; and~~

16 ~~(ii) For furnishing information under § 14-1208(e) of this subtitle,~~
17 ~~not exceeding the fee that the consumer reporting agency would impose on each designated~~
18 ~~recipient for a consumer report.~~

19 ~~(2) The consumer reporting agency shall indicate the amount of the fee to~~
20 ~~the consumer before providing the report or furnishing the information.~~

21 14-1212.1.

22 (c) (1) A consumer may elect to place a security freeze on the consumer's
23 consumer report by:

24 (i) Written request sent by certified mail;

25 (ii) Subject to paragraph (6) of this subsection, telephone, by
26 providing certain personal information that the consumer reporting agency may require to
27 verify the identity of the consumer; **OR**

28 (iii) [Electronic mail using an electronic postmark if a secure
29 electronic mail connection is made available by the consumer reporting agency; or

30 (iv) If the consumer reporting agency makes a secure connection
31 available on its Web site, an] **AN** electronic request **TRANSMITTED** through [that] **A** secure
32 connection **MADE AVAILABLE BY THE CONSUMER REPORTING AGENCY ON THE**
33 **WEBSITE OF THE CONSUMER REPORTING AGENCY.**

1 (2) A consumer reporting agency shall require a consumer to provide
2 proper identifying information when requesting a security freeze.

3 (3) Except as provided in paragraph (5) of this subsection, a consumer
4 reporting agency shall place a security freeze on a consumer's consumer report within 3
5 business days after receiving a request under paragraph (1) of this subsection.

6 (4) Within 5 business days after placing a security freeze on a consumer's
7 consumer report, the consumer reporting agency shall:

8 (i) Send a written confirmation of the security freeze to the
9 consumer;

10 (ii) Provide the consumer with a unique personal identification
11 number or password to be used by the consumer when authorizing the release of the
12 consumer's consumer report to a specific person or for a specific period of time; and

13 (iii) Provide the consumer with a written statement of the procedures
14 for requesting the consumer reporting agency to remove or temporarily lift a security freeze.

15 (5) (i) Subject to subparagraph (ii) of this paragraph, a consumer
16 reporting agency is not required to place a security freeze on a consumer report if the
17 consumer reporting agency:

18 1. Acts only as a reseller of credit information by assembling
19 and merging information contained in a database of another consumer reporting agency or
20 multiple consumer reporting agencies; and

21 2. Does not maintain a permanent database of credit
22 information from which new consumer reports are produced.

23 (ii) A consumer reporting agency that acts as a reseller of credit
24 information shall honor a security freeze placed on a consumer report by another consumer
25 reporting agency.

26 (6) (i) If a consumer requests placement of a security freeze by
27 telephone under paragraph (1)(ii) of this subsection, the consumer reporting agency may
28 require the consumer to confirm the request in writing on a form that the consumer
29 reporting agency provides to the consumer with the materials sent in accordance with
30 paragraph (4) of this subsection.

31 (ii) If the consumer fails to return written confirmation that the
32 consumer reporting agency requires under subparagraph (i) of this paragraph, the
33 consumer reporting agency may remove the security freeze in accordance with subsection
34 (g)(2) of this section.

1 **(7) (I) A CONSUMER REPORTING AGENCY SHALL DEVELOP**
 2 **PROCEDURES INVOLVING THE USE OF SECURE CONNECTIONS TO RECEIVE AND**
 3 **PROCESS, IN AN EXPEDITED MANNER, AN ELECTRONIC REQUEST FROM A CONSUMER**
 4 **TO PLACE A SECURITY FREEZE ON THE CONSUMER'S CONSUMER REPORT.**

5 **(II) A CONSUMER REPORTING AGENCY MAY DEVELOP**
 6 **ADDITIONAL SECURE ELECTRONIC METHODS TO COMPLY WITH PARAGRAPH (1) OF**
 7 **THIS SUBSECTION.**

8 (e) (1) If a consumer wants to temporarily lift a security freeze to allow the
 9 consumer's consumer report to be accessed by a specific person or for a specific period of
 10 time while a security freeze is in place, the consumer shall:

11 (i) Contact the consumer reporting agency by:

12 1. Mail in the manner prescribed by the consumer reporting
 13 agency;

14 2. Telephone in the manner prescribed by the consumer
 15 reporting agency; **OR**

16 3. [Electronic mail using an electronic postmark if a secure
 17 electronic mail connection is made available to the consumer by the consumer reporting
 18 agency; or

19 4. Electronic] **AN ELECTRONIC** request [if] **TRANSMITTED**
 20 **THROUGH** a secure connection [is] made available **BY THE CONSUMER REPORTING**
 21 **AGENCY** on the [Web site] **WEBSITE** of the consumer reporting agency;

22 (ii) Request that the security freeze be temporarily lifted; and

23 (iii) Provide the following to the consumer reporting agency:

24 1. Proper identifying information;

25 2. The unique personal identification number or password
 26 provided to the consumer under subsection (c)(4)(ii) of this section; and

27 3. The proper information regarding the person that is to
 28 receive the consumer report or the time period during which the consumer report is to be
 29 available to users of the consumer report.

30 (2) (i) Except as provided in subparagraph (ii) of this paragraph, a
 31 consumer reporting agency shall comply with a request made under paragraph (1) of this
 32 subsection within 3 business days after receiving the request.

1 (ii) 1. A consumer reporting agency shall comply with a request
2 made under paragraph (1) of this subsection within 15 minutes after the consumer's
3 request is received by the consumer reporting agency if the request is made by telephone[,
4 by electronic mail,] or by **ELECTRONIC REQUEST TRANSMITTED THROUGH A** secure
5 connection **MADE AVAILABLE BY THE CONSUMER REPORTING AGENCY** on the [Web
6 site] **WEBSITE** of the consumer reporting agency.

7 2. A consumer reporting agency that is unable to temporarily
8 lift a security freeze under subparagraph 1 of this subparagraph shall lift the security
9 freeze as soon as it is reasonably capable of doing so.

10 (3) A consumer reporting agency [may] **SHALL** develop procedures
11 involving the use of [facsimile or other electronic media] **SECURE CONNECTIONS** to
12 receive and process, in an expedited manner, [a] **AN ELECTRONIC** request from a
13 consumer to temporarily lift or remove a security freeze on the consumer's consumer report.

14 (g) (1) Except as provided in paragraph (2) of this subsection, a consumer
15 reporting agency may remove or temporarily lift a security freeze placed on a consumer's
16 consumer report only on request of the consumer made under subsection (e) or (h) of this
17 section.

18 (2) (i) A consumer reporting agency may remove a security freeze
19 placed on a consumer's consumer report if:

20 1. Placement of the security freeze was based on a material
21 misrepresentation of fact by the consumer; or

22 2. The consumer:

23 A. Made the request to place the security freeze by telephone
24 under subsection (c)(1)(ii) of this section; and

25 B. Failed to confirm the request in writing if required in
26 accordance with subsection (c)(6) of this section.

27 (ii) If a consumer reporting agency intends to remove a security
28 freeze under subparagraph (i) of this paragraph, the consumer reporting agency shall notify
29 the consumer in writing of its intent at least 5 business days before removing the security
30 freeze.

31 (h) (1) Subject to subsection (g)(2) of this section, a security freeze shall remain
32 in place until the consumer requests that the security freeze be removed.

33 (2) If a consumer wants to remove a security freeze from the consumer's
34 consumer report, the consumer shall:

- 1 (i) Contact the consumer reporting agency by:
- 2 1. Mail in the manner prescribed by the consumer reporting
- 3 agency;
- 4 2. Telephone in the manner prescribed by the consumer
- 5 reporting agency; **OR**
- 6 3. [Electronic mail using an electronic postmark if a secure
- 7 electronic mail connection is made available to the consumer by the consumer reporting
- 8 agency; or
- 9 4. Electronic] **AN ELECTRONIC** request [if] **TRANSMITTED**
- 10 **THROUGH** a secure connection [is] made available **BY THE CONSUMER REPORTING**
- 11 **AGENCY** on the [Web site] **WEBSITE** of the consumer reporting agency;

12 (ii) Request that the security freeze be removed; and

13 (iii) Provide the following to the consumer reporting agency:

14 1. Proper identifying information; and

15 2. The unique personal identification number or password

16 provided by the consumer reporting agency under subsection (c)(4)(ii) of this section.

17 (3) A consumer reporting agency shall remove a security freeze within 3

18 business days after receiving a request for removal.

19 **(4) A CONSUMER REPORTING AGENCY SHALL DEVELOP PROCEDURES**

20 **INVOLVING THE USE OF SECURE CONNECTIONS TO RECEIVE AND PROCESS, IN AN**

21 **EXPEDITED MANNER, AN ELECTRONIC REQUEST FROM A CONSUMER TO REMOVE A**

22 **SECURITY FREEZE ON THE CONSUMER'S CONSUMER REPORT.**

23 ~~(i) [(1) Except as provided in paragraph (2) of this subsection, a] A consumer~~

24 ~~may not be charged for any service relating to a security freeze.~~

25 ~~[(2) A consumer reporting agency may charge a reasonable fee, not~~

26 ~~exceeding \$5, for each placement, temporary lift, or removal of a security freeze.~~

27 ~~(3) Notwithstanding paragraph (2) of this subsection, a consumer reporting~~

28 ~~agency may not charge any fee under this section to a consumer who:~~

29 ~~(i) 1. Has obtained a report of alleged identity fraud against the~~

30 ~~consumer under § 8-304 of the Criminal Law Article or an identity theft passport under §~~

31 ~~8-305 of the Criminal Law Article; and~~

~~2. Provides a copy of the report or passport to the consumer reporting agency; or~~

~~(ii) Requests the placement of a security freeze if the consumer has not previously requested the placement of a security freeze from the consumer reporting agency.]~~

~~(j) At any time that a consumer is entitled to receive a summary of rights under § 609 of the federal Fair Credit Reporting Act or § 14-1206 of this subtitle, the following notice shall be included:~~

~~“NOTICE~~

~~You have a right, under § 14-1212.1 of the Commercial Law Article of the Annotated Code of Maryland, to place a security freeze on your credit report. The security freeze will prohibit a consumer reporting agency from releasing your credit report or any information derived from your credit report without your express authorization. The purpose of a security freeze is to prevent credit, loans, and services from being approved in your name without your consent. **A CONSUMER REPORTING AGENCY MAY NOT CHARGE YOU A FEE FOR ANY SERVICE RELATING TO A SECURITY FREEZE, INCLUDING FOR ANY PLACEMENT, TEMPORARY LIFT, OR REMOVAL OF A SECURITY FREEZE.**~~

~~You may elect to have a consumer reporting agency place a security freeze on your credit report by written request sent by certified mail [or by electronic mail or the Internet if the consumer reporting agency provides a secure electronic connection] **OR BY USING A SECURE CONNECTION ON THE WEBSITE OF A CONSUMER REPORTING AGENCY.** The consumer reporting agency must place a security freeze on your credit report within 3 business days after your request is received. Within 5 business days after a security freeze is placed on your credit report, you will be provided with a unique personal identification number or password to use if you want to remove the security freeze or temporarily lift the security freeze to release your credit report to a specific person or for a specific period of time. You also will receive information on the procedures for removing or temporarily lifting a security freeze.~~

~~If you want to temporarily lift the security freeze on your credit report, you must contact the consumer reporting agency and provide all of the following:~~

~~(1) The unique personal identification number or password provided by the consumer reporting agency;~~

~~(2) The proper identifying information to verify your identity; and~~

~~(3) The proper information regarding the person who is to receive the credit report or the period of time for which the credit report is to be available to users of the credit report.~~

~~A consumer reporting agency must comply with a request to temporarily lift a security freeze on a credit report within 3 business days after the request is received, or within 15 minutes for certain requests. A consumer reporting agency must comply with a request to remove a security freeze on a credit report within 3 business days after the request is received.~~

~~If you are actively seeking credit, you should be aware that the procedures involved in lifting a security freeze may slow your own applications for credit. You should plan ahead and lift a security freeze, either completely if you are seeking credit from a number of sources, or just for a specific creditor if you are applying only to that creditor, a few days before actually applying for new credit.~~

~~[A consumer reporting agency may charge a reasonable fee not exceeding \$5 for each placement, temporary lift, or removal of a security freeze. However, a consumer reporting agency may not charge any fee to a consumer who, at the time of a request to place, temporarily lift, or remove a security freeze, presents to the consumer reporting agency a police report of alleged identity fraud against the consumer or an identity theft passport. A consumer reporting agency also may not charge any fee to a consumer for the first placement of a security freeze with the consumer reporting agency.]~~

~~A security freeze does not apply if you have an existing account relationship and a copy of your credit report is requested by your existing creditor or its agents or affiliates for certain types of account review, collection, fraud control, or similar activities.”~~

(l) The exclusive remedy for a violation of subsection (e)(2)(ii) of this section shall be a complaint filed with the Commissioner under [§ 14-1217] ~~§ 14-1226~~ **§ 14-1225** of this subtitle.

14-1212.2.

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

(2) “Protected consumer” means an individual who is:

(i) Under the age of 16 years [at the time a request for the placement of a security freeze is made]; [or]

(ii) An incapacitated person or a protected person for whom a guardian or conservator has been appointed in accordance with Title 13 of the Estates and Trusts Article;

(III) **85 YEARS OLD OR OLDER;**

(IV) **A SERVICE MEMBER DURING A PERIOD OF MILITARY SERVICE; OR**

1 (V) AN ~~INMATE~~ INCARCERATED PERSON IN A STATE
 2 CORRECTIONAL FACILITY; ~~OR~~

3 ~~(VI) AN INDIVIDUAL WHO IS IN THE CUSTODY OF A LOCAL~~
 4 ~~DEPARTMENT AND HAS BEEN PLACED IN A FOSTER CARE SETTING.~~

5 (3) "Record" means a compilation of information that:

6 (i) Identifies a protected consumer;

7 (ii) Is created by a consumer reporting agency solely for the purpose
 8 of complying with this section; and

9 (iii) May not be created or used to consider the protected consumer's
 10 credit worthiness, credit standing, credit capacity, character, general reputation, personal
 11 characteristics, or mode of living for any purpose listed in [§ 14-1201(d)(1)] §
 12 **14-1201(E)(1)** of this subtitle.

13 (4) ~~(H)~~ "Representative" means a person who provides to a consumer
 14 reporting agency sufficient proof of authority to act on behalf of a protected consumer.

15 ~~(H) "REPRESENTATIVE" INCLUDES A LOCAL DEPARTMENT.~~

16 (5) "Security freeze" means:

17 (i) If a consumer reporting agency does not have a file pertaining to
 18 a protected consumer, a restriction that:

19 1. Is placed on the protected consumer's record in accordance
 20 with this section; and

21 2. Prohibits the consumer reporting agency from releasing
 22 the protected consumer's record except as provided in this section; or

23 (ii) If a consumer reporting agency has a file pertaining to the
 24 protected consumer, a restriction that:

25 1. Is placed on the protected consumer's consumer report in
 26 accordance with this section; and

27 2. Prohibits the consumer reporting agency from releasing
 28 the protected consumer's consumer report or any information derived from the protected
 29 consumer's consumer report except as provided in this section.

30 (6) (i) "Sufficient proof of authority" means documentation that shows
 31 a representative has authority to act on behalf of a protected consumer.

1 (ii) “Sufficient proof of authority” includes:

2 1. An order issued by a court of law;

3 2. A lawfully executed and valid power of attorney; and

4 3. A written, notarized statement signed by a representative
5 that expressly describes the authority of the representative to act on behalf of a protected
6 consumer.

7 (7) (i) “Sufficient proof of identification” means information or
8 documentation that identifies a protected consumer or a representative of a protected
9 consumer.

10 (ii) “Sufficient proof of identification” includes:

11 1. A Social Security number or a copy of a Social Security
12 card issued by the Social Security Administration;

13 2. A certified or official copy of a birth certificate issued by
14 the entity authorized to issue the birth certificate;

15 3. A copy of a driver’s license, an identification card issued
16 by the Motor Vehicle Administration, or any other government-issued identification; or

17 4. A copy of a bill, including a bill for telephone, sewer, septic
18 tank, water, electric, oil, or natural gas services, that shows a name and home address.

19 ~~(b) This section does not apply to the use of a protected consumer’s consumer~~
20 ~~report or record by:~~

21 ~~(1) A person administering a credit file monitoring subscription service to~~
22 ~~which:~~

23 ~~(i) The protected consumer has subscribed; or~~

24 ~~(ii) The representative of the protected consumer has subscribed on~~
25 ~~behalf of the protected consumer;~~

26 ~~(2) A person providing the protected consumer or the protected consumer’s~~
27 ~~representative with a copy of the protected consumer’s consumer report on request of the~~
28 ~~protected consumer or the protected consumer’s representative; or~~

29 ~~(3) An entity listed in § 14-1212.1(b)(2)(i) or (ii) or (e)(5) of this subtitle.~~

1 ~~(e) (1) A consumer reporting agency shall place a security freeze for a~~
 2 ~~protected consumer [if:~~

3 ~~(i) The consumer reporting agency receives a request from the~~
 4 ~~protected consumer's representative for the placement of the security freeze under this~~
 5 ~~section; and~~

6 ~~(ii) The protected consumer's representative:~~

7 ~~1. Submits the request to the consumer reporting agency at~~
 8 ~~the address or other point of contact and in the manner specified by the consumer reporting~~
 9 ~~agency;~~

10 ~~2. Provides to the consumer reporting agency sufficient proof~~
 11 ~~of identification of the protected consumer and the representative;~~

12 ~~3. Provides to the consumer reporting agency sufficient proof~~
 13 ~~of authority to act on behalf of the protected consumer; and~~

14 ~~4. Pays to the consumer reporting agency a fee as provided~~
 15 ~~in subsection (i) of this section] IN ACCORDANCE WITH SUBSECTION (D) OF THIS~~
 16 ~~SECTION.~~

17 ~~(2) If a consumer reporting agency does not have a file pertaining to a~~
 18 ~~protected consumer when the consumer reporting agency receives a [request under~~
 19 ~~paragraph (1) of this subsection] LIST OF PROTECTED CONSUMERS UNDER~~
 20 ~~SUBSECTION (L) OF THIS SECTION OR INFORMATION ESTABLISHING THE BASIS FOR~~
 21 ~~PROTECTION UNDER SUBSECTION (D)(4) OF THIS SECTION, the consumer reporting~~
 22 ~~agency shall create a record for the protected consumer.~~

23 ~~(d) (1) Within 30 days after receiving [a request that meets the requirements~~
 24 ~~of subsection (e)(1) of this section] A LIST OF PROTECTED CONSUMERS UNDER~~
 25 ~~SUBSECTION (L) OF THIS SECTION, a consumer reporting agency shall place a security~~
 26 ~~freeze for [the] EACH protected consumer ON THE LIST.~~

27 ~~(2) A CONSUMER REPORTING AGENCY SHALL AUTOMATICALLY~~
 28 ~~PLACE A SECURITY FREEZE FOR A PROTECTED CONSUMER ONCE THE INDIVIDUAL~~
 29 ~~REACHES THE AGE OF 85 YEARS.~~

30 ~~(3) A CONSUMER REPORTING AGENCY SHALL AUTOMATICALLY~~
 31 ~~PLACE A SECURITY FREEZE FOR A PROTECTED CONSUMER ONCE THE CONSUMER~~
 32 ~~REPORTING AGENCY CREATES A FILE PERTAINING TO AN INDIVIDUAL UNDER THE~~
 33 ~~AGE OF 16 YEARS.~~

1 ~~(4) FOR ALL OTHER PROTECTED CONSUMERS, A CONSUMER~~
2 ~~REPORTING AGENCY SHALL PLACE A SECURITY FREEZE FOR THE PROTECTED~~
3 ~~CONSUMER WITHIN 30 DAYS AFTER RECEIVING INFORMATION ESTABLISHING THE~~
4 ~~BASIS FOR THE PROTECTION.~~

5 ~~(5) A CONSUMER REPORTING AGENCY SHALL ESTABLISH~~
6 ~~PROCEDURES TO FACILITATE THE PROMPT IDENTIFICATION BY THE CONSUMER~~
7 ~~REPORTING AGENCY OF:~~

8 ~~(I) AN INCAPACITATED PERSON OR A PROTECTED PERSON FOR~~
9 ~~WHOM A GUARDIAN OR CONSERVATOR HAS BEEN APPOINTED IN ACCORDANCE WITH~~
10 ~~TITLE 13 OF THE ESTATES AND TRUSTS ARTICLE; AND~~

11 ~~(II) A SERVICE MEMBER DURING A PERIOD OF MILITARY~~
12 ~~SERVICE.~~

13 ~~(e) Unless a security freeze for a protected consumer is removed in accordance~~
14 ~~with subsection (g) or (j) of this section, a consumer reporting agency may not release the~~
15 ~~protected consumer's consumer report, any information derived from the protected~~
16 ~~consumer's consumer report, or any record created for the protected consumer.~~

17 ~~(f) A security freeze for a protected consumer placed under subsection (d) of this~~
18 ~~section shall remain in effect until:~~

19 ~~(1) The protected consumer or the protected consumer's representative~~
20 ~~requests the consumer reporting agency to remove the security freeze in accordance with~~
21 ~~subsection (g) of this section; or~~

22 ~~(2) The security freeze is removed in accordance with subsection (j) of this~~
23 ~~section.~~

24 ~~(g) If a protected consumer or a protected consumer's representative wishes to~~
25 ~~remove a security freeze for the protected consumer, the protected consumer or the~~
26 ~~protected consumer's representative shall:~~

27 ~~(1) Submit a request for the removal of the security freeze to the consumer~~
28 ~~reporting agency at the address or other point of contact and in the manner specified by the~~
29 ~~consumer reporting agency; AND~~

30 ~~(2) Provide to the consumer reporting agency:~~

31 ~~(i) In the case of a request by the protected consumer:~~

32 ~~1. Proof that the sufficient proof of authority for the~~
33 ~~protected consumer's representative to act on behalf of the protected consumer is no longer~~
34 ~~valid; and~~

~~2. The consumer reporting agency has a consumer report pertaining to the protected consumer.]~~

~~(j) A consumer reporting agency may remove a security freeze for a protected consumer or delete a record of a protected consumer if the security freeze was placed or the record was created based on a material misrepresentation of fact by the protected consumer or the protected consumer's representative.~~

(k) Notwithstanding any other provision of law, the exclusive remedy for a violation of this section shall be a complaint filed with the Commissioner under [§ 14-1217] ~~§ 14-1226~~ § 14-1225 of this subtitle.

~~(L) (1) AT LEAST ONCE EACH YEAR, THE DEPARTMENT OF HUMAN SERVICES SHALL SEND TO EACH CONSUMER REPORTING AGENCY BY ELECTRONIC TRANSMISSION A LIST OF CHILDREN WHO ARE IN THE CUSTODY OF A LOCAL DEPARTMENT AND HAVE BEEN PLACED IN A FOSTER CARE SETTING FOR THE FIRST TIME.~~

~~(2) AT LEAST ONCE EACH YEAR, THE DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES SHALL SEND TO EACH CONSUMER REPORTING AGENCY BY ELECTRONIC TRANSMISSION A LIST OF INMATES WHO ARE IN STATE CORRECTIONAL FACILITIES.~~

~~(3) THE DEPARTMENT OF HUMAN SERVICES AND THE DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES MAY ENTER INTO AGREEMENTS WITH A CONSUMER REPORTING AGENCY CONCERNING THE TRANSMISSION OF INFORMATION BETWEEN THE DEPARTMENTS AND A CONSUMER REPORTING AGENCY TO FACILITATE THE IMPLEMENTATION OF THIS SUBSECTION.~~

~~(M) A CONSUMER REPORTING AGENCY SHALL NOTIFY A PROTECTED CONSUMER WHO LOSES STATUS AS A PROTECTED CONSUMER UNDER THIS SECTION OF THE PROVISIONS OF § 14-1212.1 OF THIS SUBTITLE RELATING TO REMOVAL OF A SECURITY FREEZE.~~

14-1213. RESERVED.

14-1214. RESERVED.

PART II. REGISTRATION AND BOND REQUIREMENTS.

14-1215.

1 ~~A PERSON MAY NOT OPERATE AS A CONSUMER REPORTING AGENCY UNLESS~~
2 ~~THE PERSON IS REGISTERED~~ SHALL REGISTER EACH YEAR WITH THE
3 COMMISSIONER UNDER THIS SUBTITLE.

4 14-1216.

5 (A) TO SUBMIT A REGISTRATION, A CONSUMER REPORTING AGENCY SHALL:

6 (1) SUBMIT TO THE COMMISSIONER A REGISTRATION ON THE FORM
7 THAT THE COMMISSIONER PROVIDES;

8 (2) ~~FILE~~ UNLESS GRANTED AN EXEMPTION BY THE COMMISSIONER,
9 FILE WITH THE COMMISSIONER A BOND OR BOND ALTERNATIVE AS REQUIRED
10 UNDER ~~§ 14-1219~~ § 14-1217 OF THIS SUBTITLE; AND

11 (3) FULFILL ANY OTHER REQUIREMENTS FOR REGISTRATION ~~UNDER~~
12 ~~THIS SUBTITLE.~~

13 (B) THE REGISTRATION SHALL INCLUDE ANY INFORMATION THAT THE
14 COMMISSIONER REQUIRES BY REGULATION.

15 (C) A REGISTRATION IS NOT COMPLETE UNLESS IT MEETS THE
16 REQUIREMENTS OF SUBSECTIONS (A) AND (B) OF THIS SECTION.

17 (D) EXCEPT AS PROVIDED IN ~~§ 14-1227~~ § 14-1226 OF THIS SUBTITLE, ALL
18 FEES AND OTHER REVENUES COLLECTED UNDER THIS SUBTITLE SHALL BE
19 DEPOSITED INTO THE NONDEPOSITORY SPECIAL FUND ESTABLISHED UNDER §
20 11-610 OF THE FINANCIAL INSTITUTIONS ARTICLE.

21 (E) THE COMMISSIONER MAY REQUIRE A CONSUMER REPORTING AGENCY
22 TO REGISTER THROUGH THE NATIONWIDE MORTGAGE LICENSING SYSTEM AND
23 REGISTRY OR THROUGH OTHER MEANS SPECIFIED BY THE COMMISSIONER BY
24 REGULATION.

25 14-1217.

26 (A) ~~WITHIN THE TIME PERIOD ESTABLISHED BY THE COMMISSIONER~~
27 ~~UNDER SUBSECTION (B) OF THIS SECTION, EACH REGISTRANT 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 REGISTRATION INFORMATION TO NMLS.~~

1 ~~(B) (1) THE COMMISSIONER SHALL ESTABLISH A TIME PERIOD THAT IS~~
2 ~~NOT LESS THAN 2 MONTHS WITHIN WHICH A REGISTRANT MUST TRANSFER~~
3 ~~REGISTRATION INFORMATION TO NMLS.~~

4 ~~(2) SUBJECT TO SUBSECTION (C)(2) OF THIS SECTION, THE TIME~~
5 ~~PERIOD THAT THE COMMISSIONER ESTABLISHES UNDER THIS SUBSECTION SHALL~~
6 ~~BEGIN ON OR AFTER OCTOBER 1, 2018.~~

7 ~~(3) AT LEAST 30 DAYS BEFORE THE TRANSFER PERIOD, THE~~
8 ~~COMMISSIONER SHALL:~~

9 ~~(I) NOTIFY ALL REGISTRANTS OF THE TRANSFER PERIOD; AND~~

10 ~~(II) PROVIDE INSTRUCTIONS FOR THE TRANSFER OF~~
11 ~~REGISTRATION INFORMATION TO NMLS.~~

12 ~~(C) SUBJECT TO SUBSECTIONS (A) AND (B) OF THIS SECTION, A CONSUMER~~
13 ~~REPORTING AGENCY SHALL SUBMIT THE INITIAL REGISTRATION OR REGISTRATION~~
14 ~~RENEWAL THROUGH NMLS:~~

15 ~~(1) ON OR AFTER OCTOBER 1, 2018; OR~~

16 ~~(2) IF THE COMMISSIONER HAS NOT JOINED NMLS WITH RESPECT~~
17 ~~TO PERSONS REQUIRED TO BE REGISTERED UNDER THIS SUBTITLE AS OF OCTOBER~~
18 ~~1, 2018, ON OR AFTER THE DATE THAT THE COMMISSIONER JOINS, AS SPECIFIED BY~~
19 ~~THE COMMISSIONER BY PUBLIC NOTICE.~~

20 ~~14-1218.~~

21 ~~(A) SUBJECT TO § 14-1217 OF THIS SUBTITLE AND ANY REGULATIONS~~
22 ~~PROMULGATED IN CONNECTION WITH THE TRANSITION TO NMLS, AN INITIAL~~
23 ~~REGISTRATION TERM SHALL:~~

24 ~~(1) BEGIN ON THE DAY THE REGISTRATION IS ISSUED; AND~~

25 ~~(2) EXPIRE ON DECEMBER 31 OF THE YEAR THE REGISTRATION IS~~
26 ~~ISSUED.~~

27 ~~(B) A REGISTRATION MAY BE RENEWED IF THE REGISTRANT:~~

28 ~~(1) OTHERWISE IS ENTITLED TO BE REGISTERED; AND~~

29 ~~(2) SUBMITS TO THE COMMISSIONER A RENEWAL REGISTRATION ON~~
30 ~~THE FORM THAT THE COMMISSIONER REQUIRES.~~

1 ~~(C) THE RENEWAL REGISTRATION SHALL INCLUDE ANY INFORMATION~~
2 ~~THAT THE COMMISSIONER REQUIRES BY REGULATION.~~

3 ~~(D) A RENEWAL REGISTRATION IS NOT COMPLETE UNLESS IT MEETS THE~~
4 ~~REQUIREMENTS OF SUBSECTIONS (B) AND (C) OF THIS SECTION.~~

5 ~~(E) A REGISTRANT MAY NOT RENEW A REGISTRATION UNLESS PRIOR TO~~
6 ~~THE SUBMISSION OF THE REGISTRATION RENEWAL, THE REGISTRANT HAS~~
7 ~~TRANSFERRED THE REGISTRANT'S REGISTRATION INFORMATION TO NMLS.~~

8 ~~14-1219.~~

9 (A) ~~WITH~~ UNLESS THE COMMISSIONER GRANTS AN EXEMPTION IN
10 ACCORDANCE WITH SUBSECTION (B)(9) OF THIS SECTION AND EXCEPT AS PROVIDED
11 IN SUBSECTION (C) OF THIS SECTION, WITH A NEW OR RENEWAL REGISTRATION
12 FILED ON OR AFTER JUNE 1, 2019, A REGISTRANT CONSUMER REPORTING AGENCY
13 SHALL FILE A SURETY BOND OR IRREVOCABLE LETTER OF CREDIT WITH THE
14 COMMISSIONER.

15 (B) (1) THE BOND SHALL RUN TO THE COMMISSIONER, AS OBLIGEE, FOR
16 THE BENEFIT OF:

17 (I) THE STATE;

18 (II) ANY CONSUMER WHO IS INJURED BY A VIOLATION OF THIS
19 SUBTITLE COMMITTED BY A ~~REGISTRANT~~ CONSUMER REPORTING AGENCY; AND

20 (III) ANY CONSUMER WHO SUFFERS ACTUAL DAMAGES AS A
21 RESULT OF THE BREACH OF THE SECURITY OF A SYSTEM EXPERIENCED BY A
22 ~~REGISTRANT~~ CONSUMER REPORTING AGENCY.

23 (2) THE BOND SHALL BE:

24 (I) IN AN AMOUNT NOT EXCEEDING \$1,000,000, AS
25 DETERMINED BY THE COMMISSIONER BY REGULATION;

26 (II) ISSUED BY A SURETY COMPANY THAT:

27 1. IS AUTHORIZED TO DO BUSINESS IN THE STATE; AND

28 2. HOLDS A CERTIFICATE OF AUTHORITY ISSUED BY THE
29 MARYLAND INSURANCE COMMISSIONER; AND

1 (III) **CONDITIONED THAT THE ~~REGISTRANT~~ CONSUMER**
2 **REPORTING AGENCY SHALL COMPLY WITH ALL STATE AND FEDERAL LAWS AND**
3 **REGULATIONS GOVERNING CONSUMER REPORTING AGENCIES.**

4 (3) **THE LIABILITY OF THE SURETY:**

5 (I) **SHALL BE CONTINUOUS;**

6 (II) **MAY NOT BE AGGREGATED OR CUMULATIVE, WHETHER OR**
7 **NOT THE BOND IS RENEWED, CONTINUED, REPLACED, OR MODIFIED;**

8 (III) **MAY NOT BE DETERMINED BY ADDING TOGETHER THE**
9 **PENAL SUM OF THE BOND, OR ANY PART OF THE PENAL SUM OF THE BOND, IN**
10 **EXISTENCE AT ANY TWO OR MORE POINTS IN TIME;**

11 (IV) **SHALL BE CONSIDERED TO BE ONE CONTINUOUS**
12 **OBLIGATION, REGARDLESS OF INCREASES OR DECREASES IN THE PENAL SUM OF**
13 **THE BOND;**

14 (V) **MAY NOT BE AFFECTED BY:**

15 1. **THE INSOLVENCY OR BANKRUPTCY OF THE**
16 **~~REGISTRANT~~ CONSUMER REPORTING AGENCY;**

17 2. **ANY MISREPRESENTATION, BREACH OF WARRANTY,**
18 **FAILURE TO PAY A PREMIUM, OR ANY OTHER ACT OR OMISSION OF THE ~~REGISTRANT~~**
19 **CONSUMER REPORTING AGENCY OR AN AGENT OF THE ~~REGISTRANT~~ CONSUMER**
20 **REPORTING AGENCY; OR**

21 3. **THE SUSPENSION OF THE ~~REGISTRANT'S~~ CONSUMER**
22 **REPORTING AGENCY'S REGISTRATION;**

23 (VI) **MAY NOT REQUIRE AN ADMINISTRATIVE ENFORCEMENT**
24 **ACTION BY THE COMMISSIONER AS A PREREQUISITE TO LIABILITY; AND**

25 (VII) **SHALL CONTINUE FOR 3 YEARS AFTER THE LATER OF THE**
26 **DATE ON WHICH:**

27 1. **THE BOND IS CANCELED; OR**

28 2. **THE ~~REGISTRANT~~ CONSUMER REPORTING AGENCY,**
29 **FOR ANY REASON, CEASES TO BE REGISTERED.**

1 (4) (I) A BOND MAY BE CANCELED BY THE SURETY OR THE
2 ~~REGISTRANT~~ CONSUMER REPORTING AGENCY BY GIVING NOTICE OF CANCELLATION
3 TO THE COMMISSIONER.

4 (II) NOTICE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH
5 SHALL:

6 1. BE IN WRITING; AND

7 2. BE SENT BY CERTIFIED MAIL, RETURN RECEIPT
8 REQUESTED.

9 (III) A CANCELLATION OF A BOND UNDER THIS PARAGRAPH IS
10 NOT EFFECTIVE UNTIL 90 DAYS AFTER RECEIPT OF A NOTICE OF CANCELLATION BY
11 THE COMMISSIONER.

12 (5) A CLAIM AGAINST THE BOND MAY BE FILED WITH THE SURETY BY:

13 (I) A CLAIMANT; OR

14 (II) THE COMMISSIONER FOR THE BENEFIT OF A CLAIMANT OR
15 THE STATE.

16 (6) IF THE AMOUNT OF CLAIMS AGAINST A BOND EXCEEDS THE
17 AMOUNT OF THE BOND, THE SURETY:

18 (I) SHALL PAY THE AMOUNT OF THE BOND TO THE
19 COMMISSIONER FOR PRO RATA DISTRIBUTION TO CLAIMANTS; AND

20 (II) IS RELIEVED OF LIABILITY UNDER THE BOND.

21 (7) IF THE PENAL AMOUNT OF A BOND IS REDUCED BY PAYMENT OF A
22 CLAIM OR JUDGMENT, THE ~~REGISTRANT~~ CONSUMER REPORTING AGENCY SHALL
23 FILE A NEW OR ADDITIONAL BOND WITH THE COMMISSIONER.

24 (8) A PENALTY IMPOSED AGAINST A ~~REGISTRANT~~ CONSUMER
25 REPORTING AGENCY UNDER ~~§ 14-1227~~ § 14-1226 OF THIS SUBTITLE MAY BE
26 COLLECTED AND PAID FROM THE PROCEEDS OF A BOND REQUIRED UNDER THIS
27 SECTION.

28 (9) IN GRANTING AN EXEMPTION FROM THE BONDING REQUIREMENT
29 UNDER SUBSECTION (A) OF THIS SECTION, THE COMMISSIONER SHALL CONSIDER
30 THE CONDITIONS THE COMMISSIONER ESTABLISHES BY REGULATION.

1 **(10) IN DETERMINING THE AMOUNT OF THE BOND UNDER PARAGRAPH**
2 **(2)(I) OF THIS SUBSECTION, THE COMMISSIONER SHALL CONSIDER THE FACTORS**
3 **THE COMMISSIONER ESTABLISHES BY REGULATION.**

4 **(C) (1) IN LIEU OF THE BONDING REQUIREMENT UNDER SUBSECTION (A)**
5 **OF THIS SECTION, A CONSUMER REPORTING AGENCY MAY FILE AN IRREVOCABLE**
6 **LETTER OF CREDIT FROM A FINANCIAL INSTITUTION INSURED BY THE FEDERAL**
7 **DEPOSIT INSURANCE CORPORATION WITH THE COMMISSIONER.**

8 **(2) THE IRREVOCABLE LETTER OF CREDIT SHALL BE IN AN AMOUNT**
9 **EQUAL TO THE BOND REQUIRED UNDER SUBSECTION (B) OF THIS SECTION.**

10 **(D) THE COMMISSIONER SHALL ADOPT REGULATIONS ESTABLISHING:**

11 **(1) THE CONDITIONS UNDER WHICH THE COMMISSIONER MAY GRANT**
12 **TO A CONSUMER REPORTING AGENCY AN EXEMPTION FROM THE BONDING**
13 **REQUIREMENT UNDER SUBSECTION (A) OF THIS SECTION; AND**

14 **(2) THE FACTORS THE COMMISSIONER SHALL CONSIDER IN**
15 **DETERMINING THE AMOUNT OF THE BOND UNDER SUBSECTION (B)(2)(I) OF THIS**
16 **SECTION.**

17 **14-1218.**

18 **(A) (1) A CONSUMER WHO HAS REASON TO BELIEVE THAT THIS SUBTITLE,**
19 **OR ANY OTHER LAW REGULATING CONSUMER CREDIT REPORTING, HAS BEEN**
20 **VIOLATED BY A PERSON MAY FILE WITH THE COMMISSIONER A WRITTEN**
21 **COMPLAINT SETTING FORTH THE DETAILS OF THE ALLEGED VIOLATION.**

22 **(2) THE COMMISSIONER MAY INITIATE AN INVESTIGATION IF THE**
23 **COMMISSIONER HAS REASON TO BELIEVE THAT THIS SUBTITLE, OR ANY OTHER LAW**
24 **REGULATING CONSUMER CREDIT REPORTING, HAS BEEN VIOLATED.**

25 **(B) AFTER RECEIPT OF A WRITTEN COMPLAINT OR INITIATING AN**
26 **INVESTIGATION UNDER THIS SECTION, THE COMMISSIONER MAY INSPECT THE**
27 **BOOKS, RECORDS, LETTERS, AND CONTRACTS OF A CONSUMER REPORTING AGENCY,**
28 **AND OF EACH PERSON WHO HAS FURNISHED INFORMATION TO THE CONSUMER**
29 **REPORTING AGENCY RELATING TO THE SPECIFIC WRITTEN COMPLAINT.**

30 **~~14-1220~~ 14-1219. RESERVED.**

31 **~~14-1221~~ 14-1220. RESERVED.**

32 **PART III. ENFORCEMENT, PENALTIES, AND MISCELLANEOUS PROVISIONS.**

1 ~~14-1222~~ 14-1221.

2 (a) Any consumer reporting agency or user of information which willfully fails to
3 comply with any requirement imposed under this subtitle with respect to any consumer is
4 liable to that consumer in an amount equal to the sum of:

5 (1) Any actual damages sustained by the consumer as a result of the
6 failure;

7 (2) Such amount of punitive damages as the court may allow; and

8 (3) In the case of any successful action to enforce any liability under this
9 section, the costs of the action together with reasonable attorney's fees as determined by
10 the court.

11 ~~14-1227~~ 14-1226.

12 (a) The Commissioner, **IN ADDITION TO TAKING ANY OTHER ACTION**
13 **AUTHORIZED BY LAW**, may:

14 (1) Hold a hearing on the complaint at a time and place in this State
15 reasonably convenient to the parties involved;

16 (2) Subpoena **AND TAKE DEPOSITIONS OF** witnesses;

17 [(3) Take depositions of witnesses residing without the State, in the manner
18 provided for witnesses in civil actions in courts of record;]

19 **(3) CONDUCT INVESTIGATIONS THAT THE COMMISSIONER**
20 **CONSIDERS NECESSARY;**

21 (4) Administer oaths;

22 (5) Issue orders for compliance with this subtitle; **AND**

23 (6) Issue cease and desist orders, if after a hearing the Commissioner finds
24 a **[pattern and practice of]** violation of this subtitle, ~~and~~.

25 [(7) If a consumer reporting agency that has violated any law regulating
26 consumer credit reporting fails to comply with a lawful order of the Commissioner, impose
27 a civil penalty of up to \$100 for each violation from which the violator failed to cease and
28 desist or for which the violator failed to take action ordered by the Commissioner for
29 compliance with the law. In determining the amount of civil penalty to be imposed under
30 this paragraph, the Commissioner shall consider:

- 1 (i) The seriousness of the violation;
- 2 (ii) The good faith of the violator;
- 3 (iii) The violator's history of previous violations;
- 4 (iv) The deleterious effect of the violation upon the public and the
5 credit granting industry;
- 6 (v) The assets and financial status of the violator; and
- 7 (vi) Any other factors relevant to the determination of the financial
8 penalty.]

9 ~~(7) ISSUE AN ORDER SUSPENDING OR REVOKING THE REGISTRATION~~
10 ~~OF THE PERSON.~~

11 ~~(B) THE COMMISSIONER MAY REFUSE TO RENEW, SUSPEND, OR REVOKE~~
12 ~~THE REGISTRATION OF ANY CREDIT REPORTING AGENCY IF THE REGISTRANT OR~~
13 ~~ANY CONTROL PERSON OF THE REGISTRANT:~~

14 ~~(1) MAKES ANY MATERIAL MISSTATEMENT IN THE INFORMATION~~
15 ~~REQUIRED IN A SUBMISSION FOR A REGISTRATION;~~

16 ~~(2) IN THE CONDUCT OF BUSINESS OF THE REGISTRANT IN THIS~~
17 ~~STATE;~~

18 ~~(I) COMMITS ANY FRAUD;~~

19 ~~(II) ENGAGES IN ANY ILLEGAL OR DISHONEST ACTIVITIES; OR~~

20 ~~(III) MISREPRESENTS OR FAILS TO DISCLOSE ANY MATERIAL~~
21 ~~FACTS TO ANYONE ENTITLED TO THAT INFORMATION;~~

22 ~~(3) VIOLATES ANY PROVISION OF THIS SUBTITLE OR ANY RULE OR~~
23 ~~REGULATION ADOPTED UNDER IT OR ANY OTHER LAW REGULATING CONSUMER~~
24 ~~CREDIT REPORTING; OR~~

25 ~~(4) OTHERWISE DEMONSTRATES UNWORTHINESS, BAD FAITH,~~
26 ~~DISHONESTY, OR ANY OTHER QUALITY THAT INDICATES THAT THE BUSINESS OF THE~~
27 ~~REGISTRANT HAS NOT BEEN OR WILL NOT BE CONDUCTED HONESTLY, FAIRLY,~~
28 ~~EQUITABLY, AND EFFICIENTLY.~~

1 ~~(C)~~ **(B)** **(1)** **INSTEAD OF OR IN ADDITION TO ANY OTHER ACTION THE**
2 **COMMISSIONER MAY TAKE UNDER THIS SECTION OR ANY OTHER PROVISION OF LAW,**
3 **THE COMMISSIONER MAY IMPOSE A CIVIL PENALTY NOT EXCEEDING:**

4 **(I)** **\$1,000 FOR A FIRST VIOLATION; AND ~~\$5,000~~**

5 **(II)** **\$2,500 FOR EACH SUBSEQUENT VIOLATION.**

6 **(2)** **IN DETERMINING THE AMOUNT OF CIVIL PENALTY TO BE IMPOSED**
7 **UNDER THIS SUBSECTION, THE COMMISSIONER SHALL CONSIDER:**

8 **(I)** **THE SERIOUSNESS OF THE VIOLATION;**

9 **(II)** **THE GOOD FAITH OF THE VIOLATOR;**

10 **(III)** **THE VIOLATOR'S HISTORY OF PREVIOUS VIOLATIONS;**

11 **(IV)** **THE DELETERIOUS EFFECT OF THE VIOLATION ON THE**
12 **PUBLIC AND THE CREDIT GRANTING INDUSTRY;**

13 **(V)** **THE ASSETS AND FINANCIAL STATUS OF THE VIOLATOR;**
14 **AND**

15 **(VI)** **ANY OTHER FACTORS RELEVANT TO THE DETERMINATION**
16 **OF THE FINANCIAL PENALTY.**

17 **(3)** **THE COMMISSIONER SHALL PAY ALL FINES AND PENALTIES**
18 **COLLECTED BY THE COMMISSIONER UNDER THIS SUBSECTION INTO THE GENERAL**
19 **FUND OF THE STATE.**

20 **[(b)] ~~(D)~~ (C)** If a person fails to comply with any lawful order of the Commissioner
21 **[pursuant to this subtitle]** or if any witness fails to appear and testify to any matter
22 **regarding which the witness may be lawfully interrogated, on petition of the Commissioner**
23 **setting forth the facts, the circuit court of any county shall:**

24 (1) Compel obedience to the requirements of the subpoena or order;

25 (2) Compel the production of contracts, forms, files, and other evidence; and

26 (3) Order compliance with any lawful order issued by the Commissioner
27 **[under the provisions of subsection (a)(5) or subsection (a)(6) of this section].**

28 **[(c)] ~~(E)~~ (D)** If a person fails, refuses, or neglects to comply with the order of the
29 **court, the court may punish that person for contempt of court.**

1 [(d)] ~~(E)~~ (E) The Administrative Procedure Act, including its provisions for judicial
2 review of a final decision in a contested case, applies to proceedings before the
3 Commissioner pursuant to this subtitle.

4 [(e)] ~~(G)~~ (F) (1) The Commissioner shall adopt regulations necessary to
5 administer the provisions of this subtitle.

6 (2) The regulations shall include procedures for:

7 (i) Achieving accuracy in information collected and maintained in
8 consumer files;

9 (ii) Developing a system to facilitate correction of information in a
10 consumer file at each credit reporting agency on correction at one consumer reporting
11 agency; [and]

12 (iii) Periodically distributing to the public a current listing of the
13 names, addresses, and telephone numbers of consumer reporting agencies that maintain
14 information or provide consumer reports on residents of the State; AND

15 (IV) CALCULATING THE REQUIRED BOND AMOUNTS UNDER THIS
16 SUBTITLE.

17 ~~(H)~~ (G) **A REGISTRANT CONSUMER REPORTING AGENCY SHALL PAY TO**
18 **THE COMMISSIONER A PER-DAY FEE SET BY THE COMMISSIONER FOR EACH OF THE**
19 **COMMISSIONER'S EMPLOYEES ENGAGED IN ANY INVESTIGATION OF THE**
20 **REGISTRANT CONSUMER REPORTING AGENCY CONDUCTED UNDER THIS SECTION**
21 **THAT THE COMMISSIONER CONSIDERS NECESSARY.**

22 ~~14-1228.~~ 14-1227.

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

31 (2) **THE INFORMATION AND MATERIAL MAY BE SHARED WITH ALL**
32 **STATE AND FEDERAL REGULATORY OFFICIALS HAVING AUTHORITY OVER PERSONS**
33 **REQUIRED TO BE REGISTERED UNDER THIS SUBTITLE, INCLUDING THE FINANCIAL**
34 **CRIMES ENFORCEMENT NETWORK AND THE OFFICE OF FOREIGN ASSETS**
35 **CONTROL, WITHOUT THE LOSS OF PRIVILEGE OR THE LOSS OF CONFIDENTIALITY**

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

3 (B) THE COMMISSIONER MAY:

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

12 (2) EXCHANGE INFORMATION ABOUT A CONSUMER REPORTING
13 AGENCY, INCLUDING INFORMATION OBTAINED OR GENERATED DURING AN
14 INVESTIGATION, WITH:

15 (I) ANY FEDERAL OR STATE REGULATORY AGENCY HAVING
16 AUTHORITY OVER CONSUMER REPORTING AGENCIES; OR

17 (II) ANY FEDERAL OR STATE LAW ENFORCEMENT AGENCY.

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

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

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

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

1 **[(9) (10)** “Sales finance company” has the meaning stated in § 11–401 of
2 this article.

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

5 (c) (1) The Commissioner may participate in NMLS for:

6 (i) Collection agencies;

7 (ii) Debt management services providers;

8 (iii) Mortgage lenders;

9 (iv) Mortgage originators;

10 (v) Persons who engage in money transmission;

11 (vi) Persons who are required to be licensed under Title 11, Subtitle
12 2 of this article;

13 (vii) Persons who are required to be licensed under Title 11, Subtitle
14 3 of this article;

15 (viii) Persons who are required to be licensed under Title 12, Subtitle
16 1 of this article;

17 (ix) Persons who are required to be licensed under Title 14, Subtitle
18 19 of the Commercial Law Article; **[and]**

19 (x) Sales finance companies; **AND**

20 **(XI) CONSUMER REPORTING AGENCIES.**

21 (2) To facilitate participation in NMLS, the Commissioner may adopt
22 regulations that waive or modify the requirements of:

23 (i) Title 11, Subtitles 4, 5, and 6 of this article with respect to sales
24 finance companies, mortgage lenders, and mortgage originators;

25 (ii) Title 12, Subtitles 1, 4, and 9 of this article with respect to
26 providers of check cashing services, persons who engage in money transmission, and
27 providers of debt management services;

28 (iii) Title 11, Subtitle 2 of this article;

- 1 (iv) Title 11, Subtitle 3 of this article;
- 2 (v) Title 7 of the Business Regulation Article with respect to
3 collection agencies; [and]
- 4 (vi) Title 14, Subtitle 19 of the Commercial Law Article; AND
- 5 **(VII) TITLE 14, SUBTITLE 12 OF THE COMMERCIAL LAW**
6 **ARTICLE.**

7 11-610.

- 8 ~~(a) There is a Nondepository Special Fund that consists of:~~
- 9 ~~(1) Revenue received for the licensing of individuals under this subtitle;~~
- 10 ~~(2) Revenue received for the licensing of persons under Subtitle 5 of this~~
11 ~~title;~~
- 12 ~~(3) Revenue received for the licensing of persons under Title 12, Subtitle 4~~
13 ~~of this article;~~
- 14 ~~(4) Revenue received for the licensing of persons under Title 12, Subtitle 9~~
15 ~~of this article;~~
- 16 ~~(5) Revenue received for the registration of persons under Title 12, Subtitle~~
17 ~~10 of this article;~~
- 18 ~~(6) Income from the investments that the State Treasurer makes for the~~
19 ~~Fund; and~~
- 20 ~~(7) Any other fee, examination assessment, or revenue received by the~~
21 ~~Commissioner under this subtitle, Subtitle 5 of this title, [and] Title 12, Subtitles 4, 9, and~~
22 ~~10 of this article, AND TITLE 14, SUBTITLE 12 OF THE COMMERCIAL LAW ARTICLE.~~

23 ~~(b) Notwithstanding subsection (a) of this section, the Commissioner shall pay all~~
24 ~~finances and penalties collected by the Commissioner under this subtitle, Subtitle 5 of this~~
25 ~~title, [and] Title 12, Subtitles 4, 9, and 10 of this article, AND TITLE 14, SUBTITLE 12 OF~~
26 ~~THE COMMERCIAL LAW ARTICLE into the General Fund of the State.~~

27 ~~(c) The purpose of the Fund is to cover the direct and indirect costs of fulfilling~~
28 ~~the statutory and regulatory duties of the Commissioner related to:~~

- 29 ~~(1) This subtitle;~~
- 30 ~~(2) Subtitle 5 of this title;~~

1 ~~(3) Title 12, Subtitle 4 of this article;~~

2 ~~(4) Title 12, Subtitle 9 of this article;~~

3 ~~(5) Title 12, Subtitle 10 of this article; [and]~~

4 ~~(6) TITLE 14, SUBTITLE 12 OF THE COMMERCIAL LAW ARTICLE; AND~~

5 ~~[(6)](7) Any other expense authorized in the State budget.~~

6 ~~(d) (1) The annual State budget shall include the costs and expenses of the~~
 7 ~~Commissioner relating to the regulation of mortgage lending, mortgage origination, money~~
 8 ~~transmission, debt management services, [and] debt settlement services, AND CONSUMER~~
 9 ~~REPORTING AGENCIES.~~

10 ~~(2) Any expenditures from the Fund to cover costs and expenses of the~~
 11 ~~Commissioner may be made only:~~

12 ~~(i) With an appropriation from the Fund approved by the General~~
 13 ~~Assembly in the annual State budget; or~~

14 ~~(ii) By the budget amendment procedure provided for in § 7-209 of~~
 15 ~~the State Finance and Procurement Article.~~

16 ~~(3) If, in any fiscal year, the amount of the revenue collected by the~~
 17 ~~Commissioner and deposited into the Fund exceeds the actual appropriation for the~~
 18 ~~Commissioner to regulate mortgage lending under Subtitle 5 of this title; mortgage~~
 19 ~~origination under this subtitle; money transmission under Title 12, Subtitle 4 of this article;~~
 20 ~~debt management services under Title 12, Subtitle 9 of this article; [and] debt settlement~~
 21 ~~services under Title 12, Subtitle 10 of this article; AND CONSUMER REPORTING~~
 22 ~~AGENCIES UNDER TITLE 14, SUBTITLE 12 OF THE COMMERCIAL LAW ARTICLE, the~~
 23 ~~excess amount shall be carried forward within the Fund.~~

24 ~~(a) *There is a Nondepository Special Fund that consists of:*~~

25 ~~(1) *Revenue received for the licensing of individuals under this subtitle;*~~

26 ~~(2) **REVENUE RECEIVED FOR THE LICENSING OF PERSONS UNDER**~~
 27 ~~**SUBTITLE 2 OF THIS TITLE;**~~

28 ~~(3) **REVENUE RECEIVED FOR THE LICENSING OF PERSONS UNDER**~~
 29 ~~**SUBTITLE 3 OF THIS TITLE;**~~

30 ~~(4) **REVENUE RECEIVED FOR THE LICENSING OF PERSONS UNDER**~~
 31 ~~**SUBTITLE 4 OF THIS TITLE;**~~

1 ~~[(2)] (5)~~ Revenue received for the licensing of persons under Subtitle 5 of
 2 this title;

3 **(6) REVENUE RECEIVED FOR THE LICENSING OF PERSONS UNDER**
 4 **TITLE 12, SUBTITLE 1 OF THIS ARTICLE;**

5 ~~[(3)] (7)~~ Revenue received for the licensing of persons under Title 12,
 6 Subtitle 4 of this article;

7 ~~[(4)] (8)~~ Revenue received for the licensing of persons under Title 12,
 8 Subtitle 9 of this article;

9 ~~[(5)] (9)~~ Revenue received for the registration of persons under Title 12,
 10 Subtitle 10 of this article;

11 **(10) REVENUE RECEIVED FOR THE LICENSING OF PERSONS UNDER**
 12 **TITLE 7 OF THE BUSINESS REGULATION ARTICLE;**

13 **(11) REVENUE RECEIVED FOR THE LICENSING OF PERSONS UNDER**
 14 **TITLE 14, SUBTITLE 19 OF THE COMMERCIAL LAW ARTICLE;**

15 ~~[(6)] (12)~~ Income from the investments that the State Treasurer makes for
 16 the Fund; and

17 ~~[(7)] (13)~~ **(I) Any other fee, examination OR INVESTIGATION FEE OR**
 18 **assessment, or revenue received by the Commissioner under this subtitle, [Subtitle]**
 19 **SUBTITLES 2, 3, 4, AND 5 of this title, [and] Title 12, Subtitles 1, 4, 9, and 10 of this article,**
 20 **AND TITLE 14, SUBTITLES 12 AND 19 OF THE COMMERCIAL LAW ARTICLE; AND**

21 **(II) ANY OTHER FEE OR REVENUE RECEIVED BY THE STATE**
 22 **COLLECTION AGENCY LICENSING BOARD UNDER TITLE 7 OF THE BUSINESS**
 23 **REGULATION ARTICLE.**

24 (b) Notwithstanding subsection (a) of this section[, the]:

25 **(1) THE Commissioner shall pay all fines and penalties collected by the**
 26 **Commissioner under TITLE 2, SUBTITLE 1 OF THIS ARTICLE, this subtitle, [Subtitle]**
 27 **SUBTITLES 2, 3, 4, AND 5 of this title, [and] Title 12, Subtitles 1, 4, 9, and 10 of this article,**
 28 **AND TITLE 14, SUBTITLES 12 AND 19 OF THE COMMERCIAL LAW ARTICLE into the**
 29 **General Fund of the State; AND**

1 **(2) THE STATE COLLECTION AGENCY LICENSING BOARD SHALL PAY**
 2 **ALL FINES AND PENALTIES COLLECTED BY THE BOARD UNDER TITLE 7 OF THE**
 3 **BUSINESS REGULATION ARTICLE INTO THE GENERAL FUND OF THE STATE.**

4 (c) The purpose of the Fund is to cover the direct and indirect costs of fulfilling the
 5 statutory and regulatory duties of the Commissioner AND THE STATE COLLECTION
 6 AGENCY LICENSING BOARD related to:

7 **(1) TITLE 2, SUBTITLE 1 OF THIS ARTICLE;**

8 **(2) This subtitle;**

9 **(3) SUBTITLE 2 OF THIS TITLE;**

10 **(4) SUBTITLE 3 OF THIS TITLE;**

11 **(5) SUBTITLE 4 OF THIS TITLE;**

12 **[(2)] (6) Subtitle 5 of this title;**

13 **(7) TITLE 12, SUBTITLE 1 OF THIS ARTICLE;**

14 **[(3)] (8) Title 12, Subtitle 4 of this article;**

15 **[(4)] (9) Title 12, Subtitle 9 of this article;**

16 **[(5)] (10) Title 12, Subtitle 10 of this article; [and]**

17 **(11) TITLE 7 OF THE BUSINESS REGULATION ARTICLE;**

18 **(12) TITLE 12, SUBTITLES 5, 6, 9, AND 10 OF THE COMMERCIAL LAW**
 19 **ARTICLE;**

20 **(13) TITLE 14, SUBTITLES 12 AND 19 OF THE COMMERCIAL LAW**
 21 **ARTICLE;**

22 **(14) TITLE 7, SUBTITLES 1, 3, 4, AND 5 OF THE REAL PROPERTY**
 23 **ARTICLE; AND**

24 **[(6)] (15) Any other expense authorized in the State budget.**

25 (d) (1) The annual State budget shall include the costs and expenses of the
 26 Commissioner AND THE STATE COLLECTION AGENCY LICENSING BOARD relating to
 27 [the regulation of mortgage lending, mortgage origination, money transmission, debt
 28 management services, and debt settlement services] SUBSECTION (C) OF THIS SECTION.

1 (2) Any expenditures from the Fund to cover costs and expenses of the
 2 Commissioner AND THE STATE COLLECTION AGENCY LICENSING BOARD RELATING
 3 TO SUBSECTION (C) OF THIS SECTION may be made only:

4 (i) With an appropriation from the Fund approved by the General
 5 Assembly in the annual State budget; or

6 (ii) By the budget amendment procedure provided for in § 7-209 of
 7 the State Finance and Procurement Article.

8 (3) If, in any fiscal year, the amount of the revenue collected by the
 9 Commissioner AND THE STATE COLLECTION AGENCY LICENSING BOARD and
 10 deposited into the Fund exceeds the actual appropriation for the Commissioner [to regulate
 11 mortgage lending under Subtitle 5 of this title; mortgage origination under this subtitle;
 12 money transmission under Title 12, Subtitle 4 of this article; debt management services
 13 under Title 12, Subtitle 9 of this article; and debt settlement services under Title 12, Subtitle
 14 10 of this article.] AND THE STATE COLLECTION AGENCY LICENSING BOARD UNDER
 15 PARAGRAPH (2)(I) OF THIS SUBSECTION, the excess amount shall be carried forward
 16 within the Fund.

17 SECTION ~~4~~ 3. AND BE IT FURTHER ENACTED, That the powers and authority
 18 conferred by Section ~~14-1227~~ 14-1226 of the Commercial Law Article, as enacted by
 19 Section ~~2~~ 2 of this Act, shall be regarded as supplemental and additional to the powers and
 20 authority conferred by other laws on the Commissioner of Financial Regulation and may
 21 not be regarded as in derogation of any powers now existing in the Office of the
 22 Commissioner of Financial Regulation.

23 SECTION ~~5~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
 24 October 1, 2018.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.