

The Insurance Division was created in 1872 as the Insurance Department under the Comptroller of the Treasury (Chapter 388, Acts of 1872). Renamed the State Insurance Department, it became an independent agency in 1878 (Chapter 106, Acts of 1878). In 1970, the Division by its present name was placed within the Department of Licensing and Regulation (Chapter 402, Acts of 1970).

The Division is directed by the State Insurance Commissioner who ensures that all laws of the State governing insurance companies or relating to the business of insurance are faithfully executed. The Commissioner authorizes and licenses insurance companies, agents, brokers, approved attorneys, and advisors for fire, casualty, life, accident, health, title and other insurance and annuities. The Commissioner also approves all insurance policies offered for sale in Maryland by authorized companies, authorizes rating bureaus and advisory organizations, and approves or rejects the rates for most lines of insurance.

Periodically, the Division examines all companies organized under the laws of Maryland and scrutinizes from time to time nonresident companies doing business in the State. The Division also investigates and resolves consumer complaints and questions concerning insurance companies doing business in the State (Code 1957, Art. 48A, secs. 14-16).

The Division is organized into three sections: Operations, Life and Health, and Property and Casualty. The Operations Section oversees Consumer Affairs, Examination and Auditing, and Licensing and Enforcement.

The State Insurance Commissioner is appointed by the Secretary of Licensing and Regulation with the approval of the Governor and Senate advice and consent. Authorization for the Insurance Division and the State Insurance Commissioner continues until July 1, 1993 (Code 1957, Art. 48A).

DIVISION OF FINANCIAL REGULATION

The Division of Financial Regulation includes the State Bank Commissioner, the Division of Savings and Loan Associations, the State of Maryland Deposit Insurance Fund Corporation, the Commissioner of Consumer Credit, and the Financial Audit Services Team (FAST).

STATE BANK COMMISSIONER

Margie H. Muller, *State Bank Commissioner*

Henry L. Bryson, *Deputy State Bank Commissioner*

501 St. Paul Place
Baltimore, MD 21202

333-6330
toll free: 1-800-492-7521

The office of the State Bank Commissioner was created in 1910 (Chapter 219, Acts of 1910). The

Commissioner's office has general supervision over all banking institutions in the State except national banks. It must examine each institution at least once every calendar year, at such other times as the Commissioner deems expedient, and at any time upon request of the board of directors of the institution. These examinations may be made in conjunction with federal regulatory agencies.

Every bank, trust company, and mutual savings bank is required to submit under oath to the State Bank Commissioner at least two reports in each calendar year. The reports must exhibit in detail the resources and liabilities of the institution. These reports are published in local newspapers.

All new State banking institutions must incorporate under the supervision of the State Bank Commissioner and must obtain a certificate before opening for business. The Commissioner must approve all applications for a branch office made by a State bank, trust company, or mutual savings bank, and must pass upon all amendments to their charters as well as the establishment of affiliates and subsidiaries. The Commissioner also must approve any mergers or voluntary liquidations and acquisitions of State-chartered or national banks by out-of-state bank holding companies. On June 30 of each year, the Commissioner submits a written report to the Governor (Code Financial Institutions Article, secs. 2-101 through 5-1007).

Under the Credit Union Law, any seven or more Maryland residents sharing common occupational, residential or social experiences or characteristics may act as incorporators to form a credit union and apply to the State Bank Commissioner for permission to organize.

The State Bank Commissioner supervises all State-chartered credit unions and is required to examine these institutions at least once each year. All credit unions must report annually to the Commissioner (Code Financial Institutions Article, secs. 6-101 through 6-704).

State-chartered credit unions may be insured by the National Credit Union Administration or the Credit Union Insurance Corporation (Chapter 658, Acts of 1973). The State Bank Commissioner must certify to the Corporation a credit union's financial affairs, solvency, management, and directorship as being approved for insurance of its members' shares and deposit accounts (Code Financial Institutions Article, secs. 7-101 through 7-117).

The Sellers of Money Orders and Traveler's Checks Law requires the State Bank Commissioner to supervise and regulate persons issuing checks, drafts, and money orders for a fee. Persons who wish to transact such business in Maryland must procure an annual license from the Commissioner. All such persons must report periodically to the Commissioner on agent charges, financial structure, and other conditions relative to their functions