

necessary, verifies them and corrects any irregularities or recommends changes. The Department supervises the formation of new banking institutions and issues a certificate authorizing them to commence business. The Commissioner approves or disapproves all applications made by a state bank, trust company, or mutual savings institution for a branch office. He also passes upon all amendments to charters and all consolidations and voluntary liquidations. On February 10 of each year, the Bank Commissioner must make a written report to the Governor (Code 1951, 1957 supp., Art. 11, secs. 1-26, 28-117).

The General Assembly of 1929 passed what is known as the "Credit Union Law," which provides that any seven or more persons, residents of this State, may apply to the Bank Commissioner for permission to organize a Credit Union. The Commissioner supervises all such credit unions (Code 1951, Art. 11, secs. 135-62).

The Department also has jurisdiction over industrial finance loan companies under the provisions of the "Industrial Finance Law," passed in 1945. The Act generally provides that no person or corporation may charge interest or other charges in the aggregate above that permitted by law on loans of fifteen hundred dollars or less if this person or corporation is not a licensee under the terms of the law. All companies and individuals transacting business under the terms of this statute must secure a license from the Bank Commissioner. At least once in every eighteen months, the Department is required to examine each licensee; and each licensee must submit to the Commissioner an annual report setting forth such information as the Commissioner may reasonably require. The Bank Commissioner has the power to revoke or suspend licenses for infractions of the law. He also has the power to exempt certain companies from the terms of the "Industrial Finance Act." Automatically exempted from the Act are those companies and individuals that are doing business under the terms of the "Small Loan Law," which is administered by the Administrator of Loan Laws (Code 1951, Art. 11, secs. 163-205).

Appropriations	1957	1958
General Funds	\$208,439	\$222,386
Staff: 34.		

BANKING BOARD

- J. Millard Tawes, Comptroller of the Treasury
- Charles W. Hoff, Baltimore Clearing House, 1961
- S. Page Nelson, Associated Mutual Savings Banks of Baltimore, 1962
- F. Ross Myers, Maryland State Bankers' Association, 1959

The Banking Board, established in 1935, is composed of the Comptroller of the Treasury, and three members appointed by the Governor from lists of nominees submitted by (1) the Baltimore Clearing House, (2) the Associated Mutual Savings Banks of Baltimore, and (3) the Maryland State Bankers' Association. Members hold office for six years, one term expiring every two years. The Board meets at the call of the Bank Commissioner to consult with him in matters pertaining to the banking business or banking institutions in Maryland (Code 1951, Art. 11, sec. 27).