

regulate the selling or issuing of checks, drafts, and money orders for a fee or service charge. Persons who wish to transact such business in Maryland must qualify with the Bank Commissioner and procure an annual license from him (Chap. 597, Acts of 1959). By Chapter 390, Acts of 1967, the General Assembly enacted a "Secondary Mortgage Law" which provided generally for the licensing of persons in the business of negotiating secondary mortgage loans and to provide for regulations. It placed the responsibility upon the Bank Commissioner to license and regulate the business as well as to supervise all licenses. This law became effective on January 1, 1968 (Code 1957, 1964 Repl. Vol., 1968 Supp., Art. 66, secs. 39-70).

Chapter 589, Acts of 1963 provided that the Maryland Higher Education Loan Corporation be subject to the supervision and examination of the Bank Commissioner (Code 1957, 1968 Repl. Vol., Art. 43A, sec. 11). Chapter 145, Acts of 1966 made the Development Credit Corporation subject to supervision by the Bank Commissioner (Code 1957, 1968 Repl. Vol., Art. 23, sec. 426A). Chapter 453, Acts of 1968 required any persons other than banks, building and loan associations and credit unions engaged in the business of making more than five loans each year where the borrower is required to repay the indebtedness in substantially equal periodic installments and which loans are not secured by a mortgage or deed of trust on real property or fully secured by negotiable stocks, bonds, or bank deposits to charge interest at a rate not in excess of 12% per year simple interest on the unpaid balance. These persons must obtain a license from the Bank Commissioner before doing any such business (Code 1957, 1968 Repl. Vol., 1968 Supp., Art. 49, sec. 5). Chapter 478, Acts of 1968 required Mortgage Brokers or Mortgage Bankers to register with the Bank Commissioner and to pay an annual registration fee (Code 1957, 1968 Repl. Vol., 1968 Supp., Art. 11, sec. 61A).

Appropriations	1969	1970
General Funds .....	\$475,139	\$497,333
Staff: 38.		

**BANKING BOARD**

Ex officio member: Louis L. Goldstein, Comptroller of the Treasury.  
 Appointed members: J. Robert Sherwood, Maryland State Bankers' Association, 1971; John E. Motz, Baltimore Clearing House, 1973; Robert W. Thon, Jr., Associated Mutual Savings Banks of Maryland, 1975.

The Banking Board, established by Chapter 489, Acts of 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. The members of the Banking Board are subject to the call of the Bank Commissioner to confer and consult with him in any matter concerning the business of any State banking institution upon which the Commissioner requests their advice and counsel. The law further provides that the Board's functions shall be purely advisory, to assist the Commissioner with sound and impartial guidance, as additional protection in maintaining the business of banking and banking institutions throughout Maryland in such manner as will give the fullest possible protection to the interest of depositors and stockholders (Code 1957, 1968 Repl. Vol., Art. 11, sec. 27).