

credit unions and is required by statute to examine these institutions at least once in each calendar year. These institutions are under strict regulation requiring the Bank Commissioner's approval on such matters as: Bylaw amendments, payment of honorariums, first real estate mortgage loans, investments other than those set forth in the statute, and any venture not permissible by statute as the membership permits the board of directors to request approval for. Liquidations, mergers, and conversions of credit unions must be approved by the Bank Commissioner and in certain instances subject to the guidelines and procedures set forth by him. Involuntary liquidations are handled under the same procedures as set forth above for banks. All credit unions must report, under oath, in detail annually to the Bank Commissioner in such form and manner as prescribed by him (Code 1957, Art. 11, secs. 135-162; Corporations and Associations Article, secs. 6-301 through 6-328).

By Chapter 658, Acts of 1973, the General Assembly created the Maryland Credit Union Insurance Corporation making it mandatory that State chartered credit unions be insured by this corporation. The statute requires the Bank Commissioner to certify to the corporation a credit union's financial affairs, solvency, management, and directorship as being approved for insurance of its members' share and deposit accounts. The members' share and deposit accounts of all State chartered credit unions are currently insured up to a maximum of \$40,000 per account by the corporation. The corporation's board of directors and the Bank Commissioner jointly may authorize credit unions to consummate, negotiate, transact, or engage in any additional credit union activity or credit union related service under the same conditions, limitations, restrictions, and safeguards as are now or hereafter applicable or permitted under Federal law or regulation to any Federal credit union (Code 1957, Art. 11, sec. 140A; Art. 23, secs. 451 through 465).

The Maryland Currency Exchange Law, which became effective on January 1, 1960, requires the Bank Commissioner to supervise and regulate persons selling or issuing checks, drafts, and money orders for a fee or service charge. Persons, referred to as principals, who wish to transact such business in Maryland must qualify with the Bank Commissioner and procure an annual license from him. All principals must report periodically to the Bank Commissioner as to agents' charges, financial structure, and other conditions relative to their functions under the Maryland Currency Exchange Law (Code 1957, Art. 11, secs. 207-224).

By Chapter 390, Acts of 1967, the General Assembly enacted a Secondary Mortgage Law, which provides generally for the licensing of persons in the business of negotiating secondary mortgage loans and places the responsibility upon the Bank Commissioner to license and regulate these activities. Licensees are required by statute to report annually, under oath, to the Bank Commissioner in such form that he may prescribe (Code 1957, Art. 66, secs. 39-71; Commercial Law Article, secs. 12-401 through 12-415).

The Maryland Higher Education Loan Corporation and the Development Credit Corporation are subject to supervision by the Bank Commissioner (Code 1957, Art. 43A, sec. 11; Art. 23, sec. 426A).

Mortgage brokers or mortgage bankers are required to register with the Bank Commissioner and pay an annual registration fee (Code 1957, Art. 11, sec. 61A).

The department also handles consumer complaints against the various persons and institutions under its jurisdiction.

## BANK REGULATIONS BOARD

Ex officio members: W. H. Holden Gibbs, J. Stevenson Peck, C. Edgar Smith, Jr., John A. Hercher, Michael H. Weinman, Carter Kaufmann

Appointed members: Herbert Goldman, 1979; Luther W. Gregory, 1979; Paul A. Meyer, 1979

The Bank Regulations Board is comprised of the Bank Commissioner, the Banking Board, and three persons not employed by any banking institution who are appointed by the Governor with the advice of the Secretary of Licensing and Regulation for a two-year term. Of the three appointed members, one must be an economist and one must represent the public at large.

The Bank Regulations Board may by majority vote authorize State banks to engage in banking activities as permitted by Federal law, notwithstanding restrictions and limitations generally contained in Article 11 (Code 1957, Art. 11, sec. 67).

## BANKING BOARD

Ex officio member: Louis L. Goldstein, *Comptroller of the Treasury*

Appointed members: John A. Hercher, *Maryland State Bankers Association*, 1983; J. Stevenson Peck, *Baltimore Clearing House*, 1979;