

## CHAPTER 270

(Senate Bill 86)

AN ACT to repeal and re-enact, with amendments, Section 188 of Article 11 of the Annotated Code of Maryland (1957 Edition), title "Banks and Trust Companies", sub-title "Industrial Finance Companies", relating to the examination of the affairs of Industrial Finance Companies by the Bank Commissioner of Maryland.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Section 188 of Article 11 of the Annotated Code of Maryland (1957 Edition), title "Banks and Trust Companies", sub-title "Industrial Finance Companies", be and it is hereby repealed and re-enacted, with amendments, and to read as follows:

188.

(A) ~~At least once each eighteen (18)~~ THIRTY-SIX (36) months, or more often if previous examinations have indicated willful or knowing violations of this sub-title, ~~the~~ ~~(a)~~ ~~The~~ Commissioner or his duly appointed deputy or examiner, ~~shall make~~ *may, at his discretion, at any time, make* an examination of the place of business of each licensee and of the loans, transactions, books, papers, and records of such licensee so far as they pertain to the business licensed under this sub-title. The actual cost of examination shall be paid to the Commissioner by each licensee so examined provided, however, the cost of each separate and complete examination shall not exceed one hundred dollars (\$100); and the Commissioner may maintain an action for the recovery of such costs in any court of competent jurisdiction. *Provided further that the licensee shall not pay the cost of any examination made within eighteen (18) months of a previous examination, unless some previous examination has indicated willful or knowing violations of this sub-title.*

[a] (b) Investigations.—For the purpose of discovering violations of this sub-title or of securing information lawfully required hereunder, the Commissioner or his duly authorized representative may at any time investigate the business and examine the books, accounts, papers and records used therein, of (1) any licensee, (2) any other person engaged in the business described in Section 165 of this sub-title or participating in such business as principal, agent, broker, or otherwise, and (3) any person whom the Commissioner has reasonable cause to believe is violating any provision of this sub-title, whether or not such person shall claim to be within the authority or beyond the scope of this sub-title. For purposes of this section, any person who shall advertise for, solicit, or hold himself out as willing to make loan transactions in the amount of or of the value of fifteen hundred dollars (\$1,500) or less shall, unless legally exempt hereunder, be presumed to be engaged in the business described in Section 165 of this sub-title. If such investigation discloses the person investigated is violating the provisions of this sub-title, then the Commissioner may collect from the person investigated the same

EXPLANATION: *Italics indicate new matter added to existing law.*

[Brackets] indicate matter stricken from existing law.

CAPITALS indicate amendments to bill.

Strike out indicates matter stricken out of bill.