



OFFICE OF THE COMMISSIONER OF FINANCIAL REGULATION

FY 2019 Annual Report Summary & Highlights

The Office of the Commissioner of Financial Regulation (“Office”) continued in fiscal year (“FY”) 2019 to successfully pursue its dual-purpose mission of supervising the activities of the financial services industry and of protecting Maryland consumers. The Office carried out its mission all while promoting fair competition and encouraging innovative business development in support of Maryland’s economy. Highlights include:

● Consumer Protection

- Entered into significant settlements in the mortgage servicing and consumer credit reporting fields that resulted in consumer payments and revised business practices to benefit consumers
- Proposed and obtained passage of legislation increasing consumer protections including increased mortgage originator and servicer net worth requirements

● Industry Regulation

- Commenced 100% of depository examinations on time
- Processing first de novo bank application in a decade
- Processed 16,759 license requests
- Proposed revisions of mortgage regulations
- Increased focus on money transmission companies and developments

● Student Loan Ombudsman

- Launched Student Loan Ombudsman webpage and complaint portal
- Submitted Student Loan Ombudsman Annual Report to the General Assembly

● Multi-state and Inter-governmental Cooperation

- Commissioners and staff active in Conference of State Bank Supervisors’ Board, committees and examination and licensing initiatives, American Association of Residential Mortgage Regulators, and North American Collection Agency Regulatory Association
- Commissioner membership on and support of the Maryland Commission on Financial Education and Capability and the Maryland Financial Consumer Protection Commission

● Outreach Efforts

- Held quarterly “listening sessions” with consumer advocacy groups throughout the State
- Engaged with industry groups to provide information about applicable laws and set forth the Office’s expectations as to their operations

Read the complete FY 2019 Annual Report at:
www.labor.maryland.gov/finance/finregannrep2019.pdf

OFFICE FAST FACTS

- Charters and supervises Maryland’s banks, credit unions, and trust companies
- Licenses and supervises financial services providers in the following areas:
 - Mortgage lending, servicing, brokering, and origination
 - Check cashing
 - Money transmission
 - Credit reporting
 - Credit services, debt management, and debt settlement
 - Consumer and installment lending
 - Sales financing
 - Debt collection
- Provides consumer protections by pursuing examinations, investigations, and enforcement actions
- Maintains Maryland’s Foreclosure Registration Systems and is responsible for certain forms and practices mandated in the foreclosure process
- Includes the State Collection Agency Licensing Board, Student Loan Ombudsman, and Fintech Innovation Contact

Larry Hogan
Governor

Boyd Rutherford
Lt. Governor

Tiffany P. Robinson
*Secretary, Maryland
Department of Labor*

Antonio P. Salazar
*Commissioner,
Financial Regulation*



Office of the Commissioner of Financial Regulation
Maryland Department of Labor
500 N. Calvert Street Suite 402, Baltimore MD 21202
(410) 230-6100 | www.labor.maryland.gov/finance



Fiscal Year Highlights

SUMMARY OF FISCAL YEAR 2019 HIGHLIGHTS INCLUDE:

STUDENT LOAN OMBUDSMAN:

The Commissioner appointed the Student Loan Ombudsman.

OUTREACH ACTIVITY:

The Office organized or participated in 37 events, conferences, and stakeholder meetings, an increase of 48% over the prior fiscal year reflecting efforts to enhance and expand its engagement with all stakeholders.

INNOVATION CONTACT:

The Innovation Contact responded to a number of inquiries from entrepreneurs and new fintech companies.

CONSUMER SERVICES:

Consumer recoveries by the Consumer Services Unit rose nearly five-fold to \$257,254. Over the last four fiscal years the Agency was responsible for recovering a total of \$405,438 for Maryland consumers.

LICENSING:

Maryland is open for business as the Office received and approved 3,590 new license applications.

LEGISLATION:

All five bills proposed by the Office in FY19 were passed by the General Assembly and signed by the Governor.

BANKS AND CREDIT UNIONS:

FY 2019 saw 32 state-chartered banks, 7 state-chartered credit unions, 4 state-chartered non-depository trust companies, 11 national and federal savings banks headquartered in Maryland. State-chartered banks reached \$41.4 billion in assets, state-chartered credit unions reached \$6.1 billion in assets, and state-chartered non-depository trust companies held \$428 billion in assets-under-management.

NON-DEPOSITORY SUPERVISION:

The Office supervises more than 13,300 licensed individuals and 5,400 licensed or registered business operations that provide credit and other non-depository financial services to Maryland consumers.

ENFORCEMENT:

The Commissioner ordered Future Income Payments to pay \$4.8 million in civil penalties and \$855,445 in restitution to Maryland consumers for engaging in unlicensed consumer lending and charging interest rates that far exceeded the interest rates authorized by Maryland law.

ENFORCEMENT:

The Office participated in several significant, national multi-settlements with Nationstar Mortgage and Ocwen Mortgage Company. The Office entered into an Agreement and Consent Order with Equifax, Inc. and its related companies addressing the companies' compliance with Maryland laws on consumer credit reporting and data collection practices.