

HOUSE BILL 1134

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CF SB 884

By: **Delegates Frick, Barve, Branch, Ebersole, Jones, Kaiser, Korman, Krimm, Lierman, Luedtke, McCray, Morhaim, Pena–Melnik, Stein, Tarlau, Turner, Valentino–Smith, Wilkins, and K. Young**

Introduced and read first time: February 9, 2017

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Financial Consumer Protection Commission**

3 FOR the purpose of establishing the Maryland Financial Consumer Protection
4 Commission; providing for the composition, chair, and staffing of the Commission;
5 prohibiting a member of the Commission from receiving certain compensation, but
6 authorizing the reimbursement of certain expenses; requiring the Commission to
7 study and make recommendations regarding certain matters; authorizing the
8 Commission to hold public meetings across the State and provide certain reports to
9 the Governor, the General Assembly, and the Maryland Congressional Delegation
10 under certain circumstances; requiring the Commission to report its findings and
11 recommendations to the Governor and the General Assembly on or before a certain
12 date; providing for the termination of this Act; and generally relating to the
13 Maryland Financial Consumer Protection Commission.

14 Preamble

15 WHEREAS, The financial crisis of 2008 created the worst worldwide economic
16 downturn since the Great Depression, leaving millions of Americans without jobs, pensions,
17 or homes; and

18 WHEREAS, The U.S. Congress concluded that the failures of the nation's financial
19 regulatory system were a major cause of the Great Recession; and

20 WHEREAS, To prevent future financial crises, the U.S. Congress enacted a number
21 of initiatives including the Dodd–Frank Wall Street Reform and Consumer Protection Act
22 of 2010 (Dodd–Frank Act); and

23 WHEREAS, The Dodd–Frank Act was designed to prevent the excessive risk–taking
24 that led to the financial crisis and provide commonsense protections for American families,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 including the Consumer Financial Protection Bureau (CFPB) to prevent financial firms
2 from exploiting consumers; and

3 WHEREAS, Over the last 6 years, the CFPB has helped more than 27 million
4 consumers receive relief from illegal financial practices and has helped provide \$11.7 billion
5 in relief to consumers as a result of their enforcement actions; and

6 WHEREAS, Since the 2008 financial crisis, the Securities and Exchange
7 Commission has adopted new rules and increased enforcement to protect investors and
8 promote market integrity and stability; and

9 WHEREAS, Other federal agencies, including the Commodity Futures Trading
10 Commission, the Department of Education, the Department of Labor, the Federal Reserve
11 Board, and the Pension Benefit Guaranty Corporation, have adopted new regulations and
12 policies to protect pensions, investments, student loans, and other financial products and
13 services; and

14 WHEREAS, Various members of the new federal administration and the U.S.
15 Congress are proposing to repeal provisions of the Dodd–Frank Act and weaken other key
16 components of federal regulation of the financial services industry, thereby endangering
17 America’s economic security and prosperity; and

18 WHEREAS, Efforts to reduce the transparency essential to healthy capital markets
19 and weaken the regulatory oversight needed to maintain the integrity of these markets
20 dramatically increase the risk of fraud, market manipulation, and financial crises, putting
21 all Americans at risk; now, therefore,

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
23 That:

24 (a) There is a Maryland Financial Consumer Protection Commission.

25 (b) The Commission consists of the following members:

26 (1) two members of the Senate of Maryland, appointed by the President of
27 the Senate;

28 (2) two members of the House of Delegates, appointed by the Speaker of
29 the House;

30 (3) the Secretary of Labor, Licensing, and Regulation, or the Secretary’s
31 designee;

32 (4) the Attorney General, or the Attorney General’s designee; and

33 (5) five members of the public, appointed jointly by the President of the
34 Senate and the Speaker of the House.

1 (c) The chair of the Commission shall be designated jointly by the President of
2 the Senate and the Speaker of the House.

3 (d) The Department of Legislative Services shall provide staff for the
4 Commission.

5 (e) A member of the Commission:

6 (1) may not receive compensation as a member of the Commission; but

7 (2) is entitled to reimbursement for expenses under the Standard State
8 Travel Regulations, as provided in the State budget.

9 (f) The Commission shall:

10 (1) assess the impact of potential changes to federal financial industry laws
11 and regulations, budgets, and policies, including changes to:

12 (i) the Dodd–Frank Wall Street Reform and Consumer Protection
13 Act;

14 (ii) the Consumer Financial Protection Bureau;

15 (iii) the Securities and Exchange Commission;

16 (iv) the Commodity Futures Trading Commission;

17 (v) the Pension Benefit Guaranty Corporation;

18 (vi) the Department of Labor;

19 (vii) the Federal Reserve Board; and

20 (viii) any other federal financial regulators; and

21 (2) provide recommendations for federal and State actions that will protect
22 residents of the State in financial transactions and when receiving financial services.

23 (g) The Commission may:

24 (1) hold public meetings across the State to conduct its duties; and

25 (2) provide periodic reports and recommendations to the Governor, the
26 General Assembly, and the Maryland Congressional Delegation, as it deems appropriate.

1 (h) On or before December 31, 2017, the Commission shall submit a report on its
2 findings and recommendations, including any legislative proposals, to the Governor and, in
3 accordance with § 2-1246 of the State Government Article, the General Assembly.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
5 1, 2017. It shall remain effective for a period of 1 year and 1 month and, at the end of June
6 30, 2018, with no further action required by the General Assembly, this Act shall be
7 abrogated and of no further force and effect.