

Chapter 277

(House Bill 704)

AN ACT concerning

Commercial Law – Debt Settlement Services – Sunset and Reporting Extension

FOR the purpose of extending to a certain date a certain reporting requirement of a registered debt settlement services provider; extending the deadline for certain reporting requirements of the Office of the Commissioner of Financial Regulation in the Department of Labor, Licensing, and Regulation and the Consumer Protection Division in the Office of the Attorney General; extending the termination date for the Maryland Debt Settlement Services Act; extending the expiration of certain registrations or renewal of registrations for a debt settlement services provider; and generally relating to debt settlement services and debt settlement services providers.

BY repealing and reenacting, with amendments,
Chapter 280 of the Acts of the General Assembly of 2011
Section 2(a), 3, and 4

BY repealing and reenacting, with amendments,
Chapter 281 of the Acts of the General Assembly of 2011
Section 2(a), 3, and 4

BY repealing and reenacting, with amendments,
Article – Financial Institutions
Section 12–1009
Annotated Code of Maryland
(2011 Replacement Volume and 2013 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Chapter 280 of the Acts of 2011

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) On or before March 15 of each year beginning with March 15, 2012, and ending with March 15, [2014] **2015**, each debt settlement services provider that is registered with the Commissioner of Financial Regulation, as required under Section 1 of this Act, shall report to the Commissioner on the debt settlement services business the registrant conducted during the preceding calendar year.

SECTION 3. AND BE IT FURTHER ENACTED, That, on or before December 1, [2014] **2015**, the Office of the Commissioner of Financial Regulation in the Department of Labor, Licensing, and Regulation, in consultation with the Consumer Protection Division of the Office of the Attorney General, shall report, in accordance with § 2-1246 of the State Government Article, to the Senate Finance Committee and the House Economic Matters Committee on its recommendations regarding changes to the Maryland Debt Settlement Services Act, including:

- (1) whether to transition from a registration requirement to a licensure requirement for debt settlement services providers; and
- (2) whether a cap on debt settlement services fees would be beneficial to consumers and fair to the debt settlement services industry.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2011. It shall remain effective for a period of [3] 4 years and 9 months and, at the end of June 30, [2015] **2016**, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Chapter 281 of the Acts of 2011

SECTION 2. AND BE IT FURTHER ENACTED, That:

- (a) On or before March 15 of each year beginning with March 15, 2012, and ending with March 15, [2014] **2015**, each debt settlement services provider that is registered with the Commissioner of Financial Regulation, as required under Section 1 of this Act, shall report to the Commissioner on the debt settlement services business the registrant conducted during the preceding calendar year.

SECTION 3. AND BE IT FURTHER ENACTED, That, on or before December 1, [2014] **2015**, the Office of the Commissioner of Financial Regulation in the Department of Labor, Licensing, and Regulation, in consultation with the Consumer Protection Division of the Office of the Attorney General, shall report, in accordance with § 2-1246 of the State Government Article, to the Senate Finance Committee and the House Economic Matters Committee on its recommendations regarding changes to the Maryland Debt Settlement Services Act, including:

- (1) whether to transition from a registration requirement to a licensure requirement for debt settlement services providers; and
- (2) whether a cap on debt settlement services fees would be beneficial to consumers and fair to the debt settlement services industry.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2011. It shall remain effective for a period of [3] 4 years and 9 months and,

at the end of June 30, [2015] **2016**, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Article – Financial Institutions

12–1009.

(a) A registration issued under this subtitle expires on December 31 of each odd-numbered year unless the registration is renewed for a 2-year term as provided in subsection (b) of this section.

(b) On or before December 1 of the year of expiration, a registration may be renewed for a 2-year term if the registrant:

(1) Otherwise is entitled to be registered;

(2) Pays to the Commissioner the renewal fee established under § 12–1006 of this subtitle; and

(3) Submits to the Commissioner a renewal application on the form that the Commissioner requires.

(C) A REGISTRATION OR A RENEWAL OF A REGISTRATION WITH AN EXPIRATION DATE OF DECEMBER 1, 2015, SHALL AUTOMATICALLY EXTEND AND EXPIRE ON JUNE 1, 2016, WITHOUT PAYMENT OF AN ADDITIONAL FEE OR SUBMISSION OF AN APPLICATION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2014.

Approved by the Governor, May 5, 2014.