



COMMISSIONER OF FINANCIAL
REGULATION
ADVISORY NOTICE
REGULATORY ALERT



November 5, 2018

CHANGE IN REQUIRED BOND AMOUNT REGULATORY ALERT

**CHANGE IN REQUIRED BOND AMOUNT FOR MARYLAND CONSUMER LOAN, INSTALLMENT
LOAN, AND CREDIT SERVICES BUSINESS LICENSES**

During its 2018 session, the General Assembly passed, and Governor Hogan signed into law, HB 1297, which, among other things, increases the maximum loan amount under the Maryland Consumer Loan Law from \$6,000 to \$25,000. This change takes effect January 1, 2019.

The surety bond requirement for Maryland Consumer Loan, Installment Loan, and Credit Services Business licenses is set forth in Md. Code Ann, Financial Institutions Article §11-206(c), which states that the bond shall be "(i)n an amount equal to twice the amount of the largest loan that may be made under the Maryland Consumer Loan Law." Because the maximum loan amount under the Maryland Consumer Loan Law will increase to \$25,000 on January 1, 2019, the required surety bond amount for 2019 licensure has increased to \$50,000.

Questions may be sent to Betty Yates, Assistant Director of Licensing: (410) 230-6150 or email betty.yates@maryland.gov.



Office of the Commissioner of Financial Regulation
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