

STATE OF MARYLAND  
OFFICE OF  
FINANCIAL REGULATION

MARYLAND DEPARTMENT OF LABOR  
100 S. CHARLES STREET, TOWER 1, SUITE 5300  
BALTIMORE, MARYLAND 21201



MARYLAND LICENSING WORKGROUP  
REPORT

For the Year Ending December 31, 2025

Presented to:

The Honorable William C. "Bill" Ferguson IV  
President  
Senate of Maryland  
State House, H-107  
Annapolis, MD 21401

The Honorable Joseline A. Peña-Melnyk  
Speaker  
Maryland House of Delegates  
State House, H-101  
Annapolis, MD 21401

**Antonio P. Salazar**  
Commissioner of Financial Regulation

House Bill 1516, the Maryland Secondary Market Stability Act of 2025

December 31, 2025

The Honorable Wes Moore, Governor  
State House, 100 State Circle  
Annapolis, Maryland 21401

The Honorable Aruna Miller, Lieutenant Governor  
State House, 100 State Circle  
Annapolis, Maryland 21401

The Honorable Bill Ferguson, President  
Senate of Maryland  
State House, H-107  
Annapolis, Maryland 21401

The Honorable Joseline Peña-Melnyk, Speaker  
Maryland House of Delegates  
State House, H-107  
Annapolis, Maryland 21401

Dear President Ferguson, and Speaker Peña-Melnyk:

This report presents the interim findings and recommendations of the Maryland Licensing Workgroup (“the Workgroup”), established as mandated by House Bill 1516, the Maryland Secondary Market Stability Act of 2025.

The enabling statute requires the Workgroup to report its findings and recommendations by December 31, 2025, and the Workgroup reached an early consensus that the complexity of the issues under its purview, which it identified during its initial review, warranted a more extensive deliberative process. Consequently, the Workgroup is presenting this interim report to formally update the Governor and the General Assembly on the Workgroup’s progress to date and to formally recommend an extension of its activities, consistent with its statutory authorization through June 30, 2026.

The attached report is respectfully submitted for your information.

Sincerely,



Antonio P. Salazar

Commissioner of Financial Regulation

## **I. Introduction and Statutory Mandate**

This document presents the interim findings and recommendations of the Maryland Licensing Workgroup (“the Workgroup”), established as mandated by House Bill 1516, the Maryland Secondary Market Stability Act of 2025. The enabling statute requires the Workgroup to report its findings and recommendations by December 31, 2025, and the Workgroup reached an early consensus that the complexity of the issues under its purview, which it identified during its initial review, warranted a more extensive deliberative process. Consequently, the Workgroup is presenting this interim report to formally update the Governor and the General Assembly on the Workgroup’s progress to date and to formally recommend an extension of its activities, consistent with its statutory authorization through June 30, 2026.

The Workgroup was created by House Bill 1516, which took effect as emergency legislation on April 22, 2025. The Workgroup is composed of nine members including the Commissioner of Financial Regulation and representatives of the financial services industry and consumers and consumer advocacy groups. The Workgroup’s operations are governed by the publication and notice requirements of the Maryland Open Meetings Act and members are subject to Maryland Government’s ethics requirements.

The Workgroup’s core duty is to evaluate the State’s existing licensing and registration framework for financial services providers and to propose recommendations for improvement or expansion of the existing regime.

The specific statutory charges assigned to the Workgroup include:

- Studying all licensing statutes and regulations concerning the provision of financial services in the State
- Assessing the efficacy of the existing licensing and registration systems for actively licensed persons who provide financial services in the State
- Evaluating whether there is any benefit to expanding existing licensing or registration systems to persons not already subject to those requirements
- Considering the potential impacts, costs, and benefits of its recommendations on Maryland residents, financial service providers, the availability and cost of credit, and the capital markets
- Making recommendations regarding the improvement of the existing licensing and registration system and its potential expansion to cover new categories of providers

The Workgroup's administrative and legal staffing is provided by the Office of Financial Regulation ("OFR").

## **II. Summary of Activities**

The following timeline outlines the formation and initial meeting activity of the Workgroup.

- **April 22, 2025:** The statute creating the Workgroup became effective.
- **July 30, 2025:** The first Workgroup member was appointed.
- **September 25, 2025:** The second and third members were appointed. OFR staff submitted the required meeting notice to the Maryland Register and scheduled the first meeting for November 7, 2025.
- **November 7, 2025:** By the date of the first meeting, additional members had been appointed, allowing the Workgroup to convene with seven of the nine authorized members.
- **December 5, 2025:** Following the appointment of another member on November 7th, the Workgroup met again with eight of nine authorized members.

Since the naming of its members, the Workgroup has engaged in a methodical and diligent process to fulfill its mandate. As noted, the Workgroup has convened for two formal meetings to establish its operational framework, prioritize key areas of study, and begin its substantive review of Maryland's financial services licensing laws. Additional meetings are scheduled for January 16, 2026 and February 27, 2026.

### **A. Prioritization of Topics**

Before convening the first meeting, OFR staff surveyed the Workgroup members to determine which licensing categories they viewed as the highest priorities for immediate discussion. Based on the survey responses, the Collection Agency, Consumer Loan, and Installment Loan licenses received the highest level of interest from members. Consequently, these topics were prioritized for review during the Workgroup's meetings.

### **B. Formal Meetings and Expert Presentations**

The Workgroup held two formal meetings to date: an inaugural meeting on November 7, 2025, and a second meeting on December 5, 2025. These sessions were designed to provide members with a foundational understanding of the current regulatory landscape

and to hear testimony from subject matter experts on the topics identified by the Workgroup members.

At the November 7, 2025 meeting, OFR staff provided the Workgroup with information on the following topics:

- Administrative Mandate and Ethics Requirements
- Existing Licensing Frameworks & Overview of Technology and Networked Supervision
- Fiscal Year Data Summaries
- Discussion Priorities

At the December 5, 2025 meeting, the Workgroup received presentations on its prioritized topics:

- **Collection Agency Licensing:** Presentations were delivered by the Office of Financial Regulation (OFR); the North American Collection Agency Regulatory Association (NACARA); a consumer member of the State Collection Agency Licensing Board; and an industry member of the State Collection Agency Licensing Board.
- **Consumer and Installment Loan Licensing:** A detailed presentation was provided by Jedd Bellman, a Partner at Orrick and a former Assistant Commissioner for Non-Depository Supervision at OFR.

These initial meetings and expert testimonies provided the essential groundwork for the Workgroup's preliminary findings and analysis.

### III. Summary of Preliminary Discussions

Through its initial meetings, presentations, and expert testimony, the Workgroup identified several areas within Maryland's financial licensing framework that merit continued study, including:

- **Nationwide Multistate Licensing System (NMLS):** The benefits of NMLS as a centralized platform for non-depository licensing
- **State Examination System (SES):** The benefits of SES as a multistate supervisory tool for non-despository examinations
- **State Collection Agency Licensing Board:** The structure and operation of the Board, including how its meeting-based licensing process interfaces with OFR staff review

- **Consumer Loan vs. Installment Loan Licensing:** The interaction of between these statutes and questions regarding statutory clarity and overlap
- **Indirect Auto Financing:** One Workgroup member suggested the Workgroup discuss whether motor vehicle dealers engaged in indirect auto financing should be licensed as creditors under the Financial Institutions Article, which the Workgroup will consider in future meetings
- **Additional Topics:** Other licensing and regulatory issues identified as potential areas for future investigation and discussion

These topics were discussed as part of the Workgroup’s exploratory review. Members agreed that additional evaluation, data collection, and stakeholder engagement will be necessary before considering any statutory or regulatory recommendations.

#### **IV. Interim Recommendations**

Based on its initial activities, expert testimony, and preliminary findings, the Workgroup has reached a consensus on three foundational recommendations. Reflective of the limited time the Workgroup had to do its work and recognizing the complexity of the issues identified, these recommendations are consensus based and designed to ensure the Workgroup has sufficient time and focus to develop well-researched, data-driven legislative proposals in a final report.

##### **A. Recommendation:     Continuation of Workgroup Meetings**

The Workgroup formally recommends that it continue to meet through the first half of 2026 with a goal of producing a supplemental report with findings and recommendations by June 30, 2026. This is consistent with its statutory authorization, which remains effective through June 30, 2026.

This continuation is necessary to better study and, if appropriate, develop concrete legislative proposals to address the State’s system for licensing and registering providers of financial services in the State. An extension of the working period will allow the group to address areas identified by Workgroup members and fulfill its mandate thoroughly. The Workgroup intends to produce a supplemental report with final, actionable recommendations by June 30, 2026.

##### **B. Recommendation:     Continued Use of the Nationwide Multistate Licensing System & Registry (NMLS)**

The Workgroup formally recommends that the General Assembly continue to require the use of the NMLS for all non-depository financial service providers whenever it seeks to impose licensing or registration requirements on a financial service industry.

The NMLS, which is also used by all of the other states, has proven to be an efficient, standardized, and indispensable tool for modern financial regulation. Its centralized platform streamlines the licensing process for both the State and industry stakeholders and is essential for fostering the multi-state regulatory collaboration required to supervise an increasingly national marketplace.

**C. Recommendation: Continued Use of the State Examination System (SES)**

In addition to continued use of the NMLS, the Workgroup recommends continued legislative support for the Office of Financial Regulation's use of the State Examination System (SES) component of NMLS, which is critical for managing examinations, enforcement actions, and consumer complaints.

**V. Conclusion**

The Maryland Licensing Workgroup thanks the Governor and the General Assembly for the opportunity to serve the State of Maryland in this important capacity. The Workgroup is dedicated to fulfilling its statutory mandate to conduct a thorough and balanced review of the State's financial services licensing laws. We believe that with continued work, we should be able to deliver a final, substantive report by June 30, 2026, that provides clear and actionable recommendations regarding modifications to the State's financial services licensing and registration system and requirements.

**Appendix A: Workgroup Membership and Affiliations**

This appendix provides detailed information on the appointed members of the Maryland Licensing Workgroup.

The composition of the Workgroup was strategically defined by statute to ensure a diverse range of expert perspectives would inform the review process. This structure brings together key stakeholders from consumer advocacy organizations, regulated industries, and state regulatory bodies, fostering a balanced and comprehensive deliberation on the complex issues at hand.

**Table 1. Maryland Licensing Workgroup Membership**

<b>Name</b>	<b>Affiliation</b>	<b>Role</b>
Antonio P. “Tony” Salazar	Office of Financial Regulation, Maryland Department of Labor	Commissioner of Financial Regulation ( <i>Chair</i> )
Ben Carney	Gordon, Wolf & Carney	Consumer Advocate
Emanwel Turnbull	The Holland Law Firm	Consumer Advocate
Marceline White	Economic Action Maryland	Consumer Advocate
Christopher Rahl	Gordon Feinblatt	Banking Institution Representative
Kevin Kesecker	SECU of Maryland	Credit Union Representative
Nanci Weissgold	Alston & Bird	State Laws and Regulations, Lending and Consumer Finance Expertise

Matthew Calhoun	M&T Bank	Lending, Capital Markets, and Structured Finance Expertise
Milissa Murray	n/a	Member of the Public
Appointment Pending	-	Nonbank Mortgage Representative

As mandated by the enabling legislation, the Maryland Office of Financial Regulation (OFR) provides all administrative, legal, and staffing support for the Workgroup. This carefully assembled group of experts has undertaken its statutory duties with diligence, beginning with a structured approach to its initial activities.

## **Appendix B: Key Resources**

[Maryland Licensing Workgroup Webpage](#)