



COMMISSIONER OF FINANCIAL
REGULATION
LICENSEE ADVISORY



July 26, 2017

MORTGAGE LENDER LICENSING ADVISORY

SENATE BILL 392: ELIMINATION OF DUPLICATIVE DISCLOSURES

Senate Bill 392 (484 Md. Laws 2017) took effect on July 1, 2017. This law establishes that compliance with federal requirements to provide certain disclosures to borrowers in mortgage transactions satisfies disclosure requirements under Maryland law. Current State and federal law requires a mortgage lender to make specified disclosures regarding closed-end credit agreements. The Commissioner of Financial Regulation determined that the current federal disclosure requirements render certain Maryland disclosures duplicative and unnecessary.

Specifically, the new law permits the provision of a Loan Estimate, in compliance with 12 CFR §1026.37, to satisfy the requirement under Md. Code Ann., Commercial Law Article §12-125 or §12-1022, to provide a Financing Agreement, and permits a Closing Disclosure, provided in compliance with 12 CFR §1026.38, to satisfy the requirement, under the statutes cited previously, to provide a Commitment.

If a compliant Loan Estimate is provided, a separate Maryland Financing Agreement is no longer required. If a compliant Closing Disclosure is provided, a separate Maryland Commitment is no longer required.

The disclosures required for some mortgages, such as reverse mortgages, are not altered under the bill and licensees must continue to provide the disclosures in accordance with State law.

More Information

For specific information pertaining to this advisory, you may contact Christine Brooks, Director of Mortgage Lending Supervision, at 410-230-6074, or via e-mail at christine.brooks@maryland.gov.



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