

# SENATE BILL 111

C3, J1

8lr0054

(PRE-FILED)

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By: **Chair, Finance Committee (By Request – Departmental – Health)**

Requested: September 27, 2017

Introduced and read first time: January 10, 2018

Assigned to: Finance

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Committee Report: Favorable

Senate action: Adopted

Read second time: January 23, 2018

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Health Benefit Exchange – Criminal History Records Checks –**  
3 **Contractors With Access to Federal Tax Information**

4 FOR the purpose of authorizing the Maryland Health Benefit Exchange to require certain  
5 contractors to provide certain information for a certain background investigation;  
6 authorizing the Exchange to request from the Criminal Justice Information System  
7 Central Repository a State and national criminal history records check for certain  
8 contractors; authorizing the Exchange to collect and submit to the Central  
9 Repository certain fees and information from certain contractors; authorizing the  
10 Exchange to conduct a certain reinvestigation within a certain period of time after a  
11 previous background investigation; requiring the Central Repository to forward  
12 certain criminal history record information to the Exchange and certain contractors;  
13 providing that certain information is confidential and may be used only for certain  
14 purposes; requiring the Central Repository to provide revised criminal history record  
15 information under certain circumstances; authorizing certain contractors to contest  
16 under certain provisions of law certain information issued by the Central Repository;  
17 prohibiting certain contractors from performing certain work functions for the  
18 Exchange under certain circumstances; authorizing the Maryland Health Benefit  
19 Exchange Board to adopt certain regulations, guidelines, and policies; providing that  
20 this Act does not limit the authority of the Exchange to perform certain actions in  
21 accordance with certain provisions of law; specifying the purpose of this Act; defining  
22 certain terms; and generally relating to the Maryland Health Benefit Exchange and  
23 criminal background checks for contractors with access to federal tax information.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 BY adding to  
2 Article – Insurance  
3 Section 31–120  
4 Annotated Code of Maryland  
5 (2017 Replacement Volume)

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

8 **Article – Insurance**

9 **31–120.**

10 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
11 INDICATED.

12 (2) “CENTRAL REPOSITORY” MEANS THE CRIMINAL JUSTICE  
13 INFORMATION SYSTEM CENTRAL REPOSITORY OF THE DEPARTMENT OF PUBLIC  
14 SAFETY AND CORRECTIONAL SERVICES.

15 (3) “CONTRACTOR” MEANS AN INDIVIDUAL WHO:

16 (I) IS NOT A STATE EMPLOYEE WITH A POSITION IN THE STATE  
17 PERSONNEL MANAGEMENT SYSTEM; AND

18 (II) PERFORMS WORK FUNCTIONS FOR THE EXCHANGE IN  
19 ACCORDANCE WITH THE TERMS OF A WRITTEN AGREEMENT.

20 (B) THE PURPOSE OF THIS SECTION IS TO AUTHORIZE THE EXCHANGE TO  
21 PERFORM A CRIMINAL BACKGROUND CHECK, INCLUDING A STATE AND NATIONAL  
22 CRIMINAL HISTORY RECORDS CHECK, TO DETERMINE THE SUITABILITY OF A  
23 CONTRACTOR TO ACCESS CONFIDENTIAL OR SENSITIVE FEDERAL TAX  
24 INFORMATION IN ACCORDANCE WITH FEDERAL LAWS AND REGULATIONS.

25 (C) FOR ANY CONTRACTOR WHO HAS OR MAY OBTAIN ACCESS TO FEDERAL  
26 TAX INFORMATION THAT IS CONSIDERED CONFIDENTIAL OR SENSITIVE UNDER  
27 FEDERAL OR STATE LAW OR REGULATION, THE EXCHANGE MAY:

28 (1) REQUIRE THE CONTRACTOR TO PROVIDE INFORMATION  
29 NECESSARY TO PERFORM A CRIMINAL BACKGROUND CHECK INCLUDING, FOR AT  
30 LEAST THE IMMEDIATELY PRECEDING 5–YEAR PERIOD, THE CONTRACTOR’S:

31 (I) ADDRESS HISTORY; AND

1                   **(II) EMPLOYMENT AND EDUCATION HISTORY, INCLUDING THE**  
2 **NAMES AND ADDRESSES OF ALL PREVIOUS EMPLOYERS AND SCHOOLS ATTENDED;**

3                   **(2) REQUEST A STATE AND NATIONAL CRIMINAL HISTORY RECORDS**  
4 **CHECK ON THE CONTRACTOR FROM THE CENTRAL REPOSITORY;**

5                   **(3) AS PART OF THE APPLICATION FOR A CRIMINAL HISTORY**  
6 **RECORDS CHECK, COLLECT FROM THE CONTRACTOR AND SUBMIT TO THE CENTRAL**  
7 **REPOSITORY:**

8                   **(I) TWO COMPLETE SETS OF THE CONTRACTOR'S LEGIBLE**  
9 **FINGERPRINTS TAKEN IN A FORMAT APPROVED BY THE DIRECTOR OF THE CENTRAL**  
10 **REPOSITORY AND THE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION;**

11                   **(II) THE FEE AUTHORIZED UNDER § 10-221(B)(7) OF THE**  
12 **CRIMINAL PROCEDURE ARTICLE FOR ACCESS TO MARYLAND CRIMINAL HISTORY**  
13 **RECORDS;**

14                   **(III) THE MANDATORY PROCESSING FEE REQUIRED BY THE**  
15 **FEDERAL BUREAU OF INVESTIGATION FOR A NATIONAL CRIMINAL HISTORY**  
16 **RECORDS CHECK; AND**

17                   **(IV) ANY OTHER DOCUMENTS OR FEES REQUIRED BY THE**  
18 **CENTRAL REPOSITORY FOR COMPLETION OF A CRIMINAL HISTORY RECORDS**  
19 **CHECK; AND**

20                   **(4) CONDUCT A REINVESTIGATION WITHIN 10 YEARS AFTER THE DATE**  
21 **OF THE PREVIOUS BACKGROUND INVESTIGATION FOR EACH CONTRACTOR WITH**  
22 **ACCESS TO FEDERAL TAX INFORMATION.**

23                   **(D) IN ACCORDANCE WITH §§ 10-201 THROUGH 10-229 OF THE CRIMINAL**  
24 **PROCEDURE ARTICLE, THE CENTRAL REPOSITORY SHALL FORWARD TO THE**  
25 **CONTRACTOR AND THE EXCHANGE THE CONTRACTOR'S CRIMINAL HISTORY**  
26 **RECORD INFORMATION.**

27                   **(E) INFORMATION OBTAINED FROM THE CENTRAL REPOSITORY UNDER**  
28 **THIS SECTION:**

29                   **(1) IS CONFIDENTIAL;**

30                   **(2) MAY NOT BE REDISSEMINATED EXCEPT AS ALLOWED BY FEDERAL**  
31 **OR STATE LAW OR REGULATION; AND**

1                   **(3) MAY BE USED ONLY FOR THE PURPOSES AUTHORIZED UNDER THIS**  
2 **SECTION.**

3           **(F) A CONTRACTOR WHO IS THE SUBJECT OF A CRIMINAL HISTORY**  
4 **RECORDS CHECK UNDER THIS SECTION MAY CONTEST THE CRIMINAL HISTORY**  
5 **RECORD INFORMATION ISSUED BY THE CENTRAL REPOSITORY AS PROVIDED IN §**  
6 **10-223 OF THE CRIMINAL PROCEDURE ARTICLE.**

7           **(G) IF CRIMINAL HISTORY RECORD INFORMATION IS REPORTED TO THE**  
8 **CENTRAL REPOSITORY AFTER THE DATE OF THE INITIAL CRIMINAL HISTORY**  
9 **RECORDS CHECK, THE CENTRAL REPOSITORY SHALL PROVIDE TO THE EXCHANGE**  
10 **AND THE CONTRACTOR REVISED CRIMINAL HISTORY RECORD INFORMATION ON THE**  
11 **CONTRACTOR.**

12           **(H) A CONTRACTOR WHO REFUSES TO COMPLY WITH OR FAILS THE**  
13 **CRIMINAL HISTORY RECORDS CHECK UNDER THIS SECTION MAY NOT PERFORM**  
14 **WORK FUNCTIONS FOR THE EXCHANGE THAT REQUIRE ACCESS TO FEDERAL TAX**  
15 **INFORMATION.**

16           **(I) THE BOARD MAY ADOPT REGULATIONS, GUIDELINES, AND POLICIES TO**  
17 **CARRY OUT THIS SECTION.**

18           **(J) THIS SECTION DOES NOT LIMIT THE AUTHORITY OF THE EXCHANGE TO**  
19 **PERFORM A BACKGROUND INVESTIGATION OR REQUEST A CRIMINAL HISTORY**  
20 **RECORDS CHECK FOR PERSONNEL IN ACCORDANCE WITH §§ 7-103 AND 7-104 OF**  
21 **THE STATE PERSONNEL AND PENSIONS ARTICLE.**

22           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
23 June 1, 2018.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.