

**Department of Legislative Services**  
Maryland General Assembly  
2021 Session

**FISCAL AND POLICY NOTE**  
**Third Reader**

Senate Bill 206

(Chair, Finance Committee)(By Request - Departmental -  
Labor)

Finance

Appropriations

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**State Collection Agency Licensing Board - Sunset Extension**

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This departmental bill extends the termination date for the State Collection Agency Licensing Board (SCALB) within the Office of the Commissioner of Financial Regulation (OCFR) by 10 years to July 1, 2032.

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**Fiscal Summary**

**State Effect:** Special fund revenues and expenditures for SCALB are maintained beyond FY 2022.

**Local Effect:** None.

**Small Business Effect:** The Maryland Department of Labor has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment.

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**Analysis**

**Current Law/Background:** SCALB is chaired by the Commissioner of Financial Regulation, operates within OCFR, and has statutory responsibility for the licensing of collection agencies operating in Maryland. The Governor, with the consent of the Senate, appoints the four-member board, consisting of two consumer representatives and two industry representatives. The commissioner serves as chairman. The board addresses written complaints, conducts hearings on alleged violations, mediates disputes, and issues orders requiring licensees to correct violations. The board also informs both licensees and the public about abusive debt collection practices.

*Maryland Program Evaluation Act*

SCALB is one of approximately 60 regulatory entities and activities subject to termination unless reauthorized periodically through statute. Under the Maryland Program Evaluation Act, these entities may also be subject to an evaluation by the Office of Program Evaluation and Government Accountability (OPEGA) within the Department of Legislative Services prior to their termination. However, OPEGA may conduct an evaluation only if directed by specified entities or by legislation. SCALB is scheduled to terminate July 1, 2022; OPEGA was not asked to conduct an evaluation prior to its termination. Accordingly, SCALB has requested reauthorizing legislation.

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**Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** None.

**Information Source(s):** Maryland Department of Labor; Department of Legislative Services

**Fiscal Note History:** First Reader - January 12, 2021  
rh/mcr Third Reader - February 2, 2021

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## ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: State Collection Agency Licensing Board - Sunset Extension

BILL NUMBER: SB 206

PREPARED BY: Joe Cunningham, Director of Legislative Response & Special Projects

### PART A. ECONOMIC IMPACT RATING

This agency estimates that these proposed bill(s):

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND  
SMALL BUSINESS

**OR**

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND  
SMALL BUSINESSES

### PART B. ECONOMIC IMPACT ANALYSIS

N/A.