

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 454

(Delegate Lopez, *et al.*)

Health and Government Operations

Finance

Health Occupations - Licenses, Certificates, and Registrations - Lawful Presence
and Identification Numbers

This bill prohibits a health occupations board from requiring as a condition for licensure, certification, or registration that an applicant (1) provide proof of lawful presence in the United States or (2) have a Social Security number or individual taxpayer identification number. The bill authorizes the use of an individual taxpayer identification number or alternative documentation (as permitted by the U.S. Department of Health and Human Services under the federal Social Security Act) for licensing purposes. It does so by specifying that each health occupations board must require each applicant for a license to *either* disclose the applicant's Social Security number (as required under current law) or individual taxpayer identification number *or* provide alternative documentation. The bill makes other related changes in the Family Law Article and the Health Occupations Article.

Fiscal Summary

State Effect: Special fund revenues for health occupations boards increase by an indeterminate amount beginning in FY 2024 if additional licenses are issued that otherwise could not be. Special fund expenditures for the State Board of Nursing (BON) increase by up to \$100,000 in FY 2024 only for one-time programming costs and likely further increase for additional staffing needs, as discussed below.

Local Effect: None.

Small Business Effect: Potential meaningful.

Analysis

Current Law: Generally, qualifications for the various professions governed by the State's health occupations boards are specified in statute and regulations. Qualifications

vary by profession but typically require, among other requirements, specified education and experience and passage of a national and/or State examination.

The Child Support Administration (CSA) within the Department of Human Services has various enforcement methods against an obligor who is in arrears in paying child support, including the potential suspension or denial of occupational licenses. To facilitate these efforts, provisions under the Family Law Article require a licensing authority (including the Maryland Department of Health) to obtain the Social Security number of the applicant and record the number on the application. If CSA requests information from a licensing authority regarding an obligor in arrears, the request must meet specified requirements, including containing the full name of the obligor and the Social Security number; the required response from the licensing authority must also include this information.

The federal Social Security Act prescribes procedures that must be contained in state law to improve the effectiveness of child support enforcement. Under § 466(A)(13) of the Social Security Act, a Social Security number must be recorded on the application for any applicant for a professional license, driver's license, occupational license, recreational license, or marriage license. Guidance issued by the U.S. Department of Health and Human Services, Office of Child Support Enforcement has indicated that the provisions are not interpreted as requiring an individual to have a Social Security number as a condition of receiving a license, but requiring the states to have procedures in place that require an individual to furnish any Social Security number that the individual may have.

The federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 generally denies eligibility for many State or local public benefits to an alien (any person not a citizen or national of the United States). Certain exceptions apply, both to eligible individuals and to eligible public benefits. However, federal law expressly denies eligibility to nonexempt aliens for a professional license or commercial license provided by an agency of a state or local government or by appropriated funds of a state or local government.

A state may establish that an individual who is not lawfully present in the United States is eligible for any state or local public benefit for which such an individual would otherwise be ineligible only through the enactment of a state law after August 22, 1996, which affirmatively makes such individuals eligible for specified benefits.

State Fiscal Effect: To the extent the bill's provisions increase the number of licenses (and possibly certificates and registrations) issued by a health occupations board, special fund revenues increase. As nearly all of the health occupations boards are special funded, general fund revenues are less likely to be affected. With the exception of the impact on BON (discussed below) and based on responses from numerous other health occupations

boards, it is assumed that implementation of the bill can generally be handled within existing budgeted resources.

BON advises that the bill has an operational and fiscal impact requiring a one-time programming cost of approximately \$100,000. BON also estimates that five additional staff are needed to process an anticipated influx of applications at an annual cost of approximately \$293,587 in fiscal 2024 (which reflects the bill's October 1, 2023 effective date) and a minimum of \$337,100 annually thereafter. BON advises that it needs one nurse program consultant in the education department to verify every new applicant's education and training with the Commission of Graduates of Foreign Nursing Schools, and four administrative specialists to verify that an applicant has met all educational, training, and professional requirements for the license.

The Department of Legislative Services (DLS) acknowledges that, because BON issues a significantly higher number of licenses annually compared to other health occupations boards, an increase in license applications to BON under the bill's provisions is anticipated and likely necessitates additional staff. However, DLS is unable to independently verify the precise need for staff that may be required for the bill's implementation and advises that the extent of any additional resources needed can only be determined with actual experience under the bill.

The bill is not anticipated to materially affect State operations or finances related to the work of CSA.

Small Business Effect: The bill may have a meaningful impact on small businesses by expanding the number of licensed workers for specified professions.

Additional Information

Prior Introductions: Similar legislation has been introduced within the last three years. See SB 523 and HB 533 of 2022.

Designated Cross File: SB 187 (Senator Kagan) - Finance.

Information Source(s): Judiciary (Administrative Office of the Courts); Maryland Department of Health; State Department of Assessments and Taxation; Department of Legislative Services

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