

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 1157 (Chairman, Commerce and Government Matters Committee)
(Departmental - Labor, Licensing and Regulation)

Commerce and Government Matters

Referred to Finance

**Commissioner of Consumer Credit - Out-of-State Examination Expenses -
Special Revolving Fund**

This enrolled departmental bill requires licensed out-of-state financial institutions to pay any reasonable travel and living expenses incurred by the Commissioner of Consumer Credit because of travel to an out-of-state location to perform required or authorized examinations. The requirement does not apply if the licensee provides the Commissioner with all necessary and appropriate documentation for the examination at a designated in-state location.

The Comptroller is required to hold all funds collected under this provision in a special revolving fund for defraying examination costs only. Expenditures may only be made from the fund if an appropriation has been made in the annual budget bill.

The bill is effective July 1, 1996.

Fiscal Summary

State Effect: Potential indeterminate special fund revenue increase as discussed below.

Local Effect: None.

Small Business Effect: The Department of Labor, Licensing and Regulation has determined that this bill has minimal or no impact on small business (attached). Fiscal Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Fiscal Analysis

State Effect: Special fund revenues could increase to the extent that travel expenses are actually recovered. The Commissioner of Consumer Credit reports that they have never had to resort to physically traveling out-of-state to perform examinations. Thus far, financial institutions have furnished appropriate records to the Commissioner in Maryland.

Accordingly, this bill has the potential for an indeterminate special fund revenue increase only if these examinations require travel in the future and the required appropriation has been made in the budget bill.

Information Source(s): Department of Labor, Licensing and Regulation (Commissioner of Consumer Credit); Department of Fiscal Services

Fiscal Note History: First Reader - February 22, 1996
ncs Revised - Enrolled Bill - April 11, 1996

Analysis by: Guy Cherry
Reviewed by: John Rixey

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 841-3710
(301) 858-3710