

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 728 (Delegate Bobo, et al.)
Commerce and Government Matters

Financial Institutions - New Accounts

This bill requires banking institutions, credit unions, and savings and loan associations to obtain information from a national reporting service about the prior banking practices of an applicant for a new account before opening the account. A financial institution is prohibited from opening an account if the information indicates that the applicant has engaged in fraudulent banking practices, unless the applicant can demonstrate that the practice is not repetitive.

Each financial institution is required to participate in a national reporting service that maintains records of individuals' banking practices.

Fiscal Summary

State Effect: None. Enforcement could be handled with the existing budgeted resources of the Bank Commissioner.

Local Effect: None.

Information Source(s): Department of Labor, Licensing and Regulation (Office of the Bank Commissioner), Department of Fiscal Services

Fiscal Note History: First Reader - February 22, 1996
ncs

Analysis by: Guy Cherry
Reviewed by: John Rixey

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