

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 251 (Senator Boozer)
Finance

Referred to Commerce and Government Matters

**Credit Unions - Confidentiality of Information and
Prohibition on Derogatory Statements**

This amended bill prohibits the State Commissioner of Financial Regulation and the employees of and the attorney for the Commissioner's Office from disclosing otherwise private information about a credit union except: (1) in the performance of a public duty to report or take action on a credit union; (2) in testimony in a criminal proceeding; (3) in the provision of examination results to an authorized agent of the credit union under examination; and (4) in response to the Credit Union Insurance Corporation or National Credit Union Administration in certain circumstances. All confidential information disclosed to any person remains the property of the Commissioner and may not be disclosed without the written permission of the Commissioner. The penalties for violating these provisions are a fine of \$1,000 and/or imprisonment not exceeding two years.

The bill also prohibits any person from making untrue and derogatory statements about the financial condition of any credit union in the State or inducing another person to make such a statement. The penalties for violating these provisions are a fine of \$1,000 and/or imprisonment not exceeding three years.

Fiscal Summary

State Effect: Potential minimal increase in general fund revenues and expenditures due to the bill's penalty provisions.

Local Effect: Potential minimal increase in revenues and expenditures due to the bill's penalty provisions.

Small Business Effect: Minimal positive effect on the State chartered credit unions that are small businesses. The bill provides confidentiality safeguards for credit unions equivalent to those that currently govern banks.

Information Source(s): Department of Labor, Licensing and Regulation (Office of Financial Regulation); Department of Fiscal Services

Fiscal Note History: First Reader - January 30, 1997
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