

Department of Legislative Services  
Maryland General Assembly  
1999 Session

FISCAL NOTE  
Revised

Senate Bill 476 (Senator Dorman)

Finance

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**Financial Institutions - Fiduciary Institutions - Disclosure of Customer's Financial Records**

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This bill creates an exception to the law prohibiting a fiduciary institution from disclosing a customer's financial records if the institution received a request or subpoena for information indirectly through the Federal Parent Locator Service under 42 U.S.C. §666(A)(17).

The bill also alters another exception to the prohibition against disclosure of financial records. Under current law a financial institution may disclose a customer's records if the institution received a request or subpoena for information from the Child Support Enforcement Administration of the Department of Human Resources. The bill provides that this exception only applies if the institution receives the request or subpoena "directly" from the Child Support Enforcement Administration.

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**Fiscal Summary**

**State Effect:** Potential increase in special fund child support collections revenue if more obligors are located and comply with court-ordered payments.

**Local Effect:** None.

**Small Business Effect:** None.

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**Fiscal Analysis**

**Background:** This bill arises out of the work of the federal and State Financial Institution Data Matching Workgroups.

**State Effect:** Under current law the Maryland Child Support Enforcement Agency is authorized to request customer records from financial institutions. Data matching with multi-state financial institutions will be conducted by the federal Office of Child Support Enforcement through the Federal Parent Locator Service. The bill allows the financial institutions in Maryland to release customer records for the purpose of this program.

State special fund revenues could increase to the extent that the bill's provisions lead to increased child support collections. Temporary Cash Assistance (TCA) recipients must assign their support rights to the State and federal government as partial reimbursement for TCA payments made on behalf of the children of the obligor; as a result, TCA child support collections are distributed 50% to the State and 50% to the federal government.

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**Information Sources:** Department of Labor, Licensing, and Regulation; Department of Human Resources

**Fiscal Note History:** First Reader - February 19, 1999  
Inc/jr Revised - Senate Third Reader - March 18, 1999

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