

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

Senate Bill 194

(Chair, Finance Committee)

(By Request – Departmental – Human Resources)

Finance

Appropriations

**Department of Human Resources - New Hires Registry Quarterly Report -
Repeal**

This departmental bill repeals the requirement that the Department of Human Resources establish a task force to evaluate the burden on employers resulting from the development of a new hire registry. The bill also repeals the requirement that DHR report its findings each quarter to the Joint Committee on Welfare Reform.

The bill takes effect July 1, 2008.

Fiscal Summary

State Effect: The bill would not materially impact State finances or operations.

Local Effect: None.

Small Business Effect: DHR has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: Chapter 351 of 1996, the Welfare Innovation Act of 1996, reformed the State's welfare system by replacing Aid to Families with Dependent Children with the Family Investment Program. Among other provisions, the legislation requires employers to submit information about new employees to the Secretary of Labor, Licensing, and Regulation within 20 days of their employment. The information is used to improve

child support enforcement and reduce fraudulent or erroneous claims for entitlement programs.

Among the law's uncodified provisions is a requirement that DHR establish a task force to evaluate the burden on employers resulting from implementation of the registry. The task force, comprised of representatives of DHR; the Department of Labor, Licensing, and Regulation; the State Lottery Agency; and members of the business community, is required to consider options for minimizing the reporting impact on private-sector employers and evaluate the electronic transfer of information. DHR was required to report its findings to the General Assembly by September 15, 1996, and continue reporting on a quarterly basis to the Joint Committee on Welfare Reform.

Background: Since 1996, DHR has submitted the required quarterly new hire registry reports to the Joint Committee on Welfare Reform. The reports include the rate of compliance by employers and identify new or inactive employers. DHR advises that the information will continue to be collected if the reporting requirement is repealed, with data available upon request.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Human Resources, Department of Legislative Services

Fiscal Note History: First Reader - January 29, 2008
ncs/hlb

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