

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE

House Bill 1152

(Chair, Economic Matters Committee)(By Request -
Departmental - Labor, Licensing and Regulation)

Economic Matters

Finance

**Commissioner of Financial Regulation - Applicant and Staff Criminal
Background Checks**

This departmental bill requires the Commissioner of Financial Regulation to conduct a State and national criminal history records check for each job applicant prior to an offer of full-time, part-time, or temporary employment. The bill also allows the commissioner to obtain a criminal history records check on a current employee. Information obtained from the Criminal Justice Information System (CJIS) Central Repository within the Department of Public Safety and Correctional Services is confidential, may not be disseminated, and can only be used for the purposes of employment.

Fiscal Summary

State Effect: The bill's requirements can be handled with the existing budgeted resources of the Office of the Commissioner of Financial Regulation within the Department of Labor, Licensing, and Regulation (DLLR).

Local Effect: None.

Small Business Effect: The Office of the Commissioner of Financial Regulation within DLLR has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: Applicants for a license in certain industries regulated by the Commissioner of Financial Regulation, or the corporate agents of an applicant, must provide fingerprints for use by the Federal Bureau of Investigation and CJIS to conduct criminal history records checks. An applicant or licensee must pay any processing or other required fees. An applicant for a mortgage lender or mortgage loan originator's license must provide to the Nationwide Mortgage Licensing System and Registry information concerning the applicant's identity, including fingerprints, a written personal history, credit history, and information related to any administrative, civil, or criminal findings by any governmental jurisdiction.

Background: The staff of the Commissioner of Financial Regulation has access to confidential information including individual or corporate financial account information, credit files, Social Security numbers, and other confidential records. This bill would ensure that these employees do not have criminal backgrounds for misdemeanor or felony convictions for financially related or other relevant crimes. The bill requires the commissioner to obtain a criminal background check on a job applicant prior to being hired and authorizes a criminal history records check to be obtained for an existing employee. The Office of the Commissioner of Financial Regulation notes that a digital fingerprint scanning machine is located on office premises. Applicants for employment and staff may be fingerprinted on-site without a significant burden to the office.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Labor, Licensing, and Regulation; Department of Legislative Services

Fiscal Note History: First Reader - March 3, 2010
ncs/ljm

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Commissioner of Financial Regulation – Applicant and Staff
Criminal Background Checks

BILL NUMBER: HB 1152

PREPARED BY: Department of Labor, Licensing and Regulation

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL
BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL
BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation will have no impact on small business in Maryland.