

# SENATE BILL 1068

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By: **Senator Glassman**

Constitutional Requirements Complied with for Introduction in the last 35 Days of Session

Introduced and read first time: March 19, 2013

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 25, 2013

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Commission to Study the Regulation of Payroll Services**

3 FOR the purpose of establishing the Commission to Study the Regulation of Payroll  
4 Services; providing for the composition, chair, and staffing of the Commission;  
5 prohibiting a member of the Commission from receiving certain compensation,  
6 but authorizing the reimbursement of certain expenses; requiring the  
7 Commission to study and make recommendations regarding certain matters;  
8 requiring the Commission to report its findings and recommendations to certain  
9 committees of the General Assembly on or before a certain date; providing for  
10 the termination of this Act; and generally relating to the Commission to Study  
11 the Regulation of Payroll Services.

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
13 MARYLAND, That:

14 (a) There is a Commission to Study the Regulation of Payroll Services.

15 (b) The Commission consists of the following members:

16 (1) one member of the Senate of Maryland, appointed by the President  
17 of the Senate;

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (2) one member of the House of Delegates, appointed by the Speaker of  
2 the House;

3 (3) the Comptroller, or the Comptroller's designee;

4 (4) the Attorney General, or the Attorney General's designee;

5 (5) the Secretary of Labor, Licensing, and Regulation, or the  
6 Secretary's designee;

7 (6) one representative of the Maryland Chamber of Commerce,  
8 designated by the Maryland Chamber of Commerce;

9 (7) the Director of Assessments and Taxation, or the Director's  
10 designee; ~~and~~

11 (8) one representative of the federal Internal Revenue Service or a  
12 taxpayer advocate, appointed by the Governor; and

13 ~~(8)~~ (9) one member of the public with experience in financial services,  
14 appointed by the Governor.

15 (c) The Comptroller or the Comptroller's designee shall serve as chair of the  
16 Commission.

17 (d) The Office of the Comptroller shall provide staff for the Commission.

18 (e) A member of the Commission:

19 (1) may not receive compensation as a member of the Commission; but

20 (2) is entitled to reimbursement for expenses under the Standard  
21 State Travel Regulations, as provided in the State budget.

22 (f) The Commission shall:

23 ~~(1) study the regulation of payroll service companies in other~~  
24 ~~jurisdictions, including:~~

25 ~~(i) any licensing or permitting requirements; and~~

26 ~~(ii) whether payroll service companies are required to be bonded~~  
27 ~~or licensed; and~~

28 ~~(2) make recommendations regarding best practices for regulating~~  
29 ~~payroll service companies in Maryland.~~

1           (1) study:

2                   (i) the function, size, and structure of the payroll services  
3 industry operating in the State;

4                   (ii) the role of the payroll services industry in the tax payment  
5 system at the State and federal levels; and

6                   (iii) the nature, oversight, and regulation of payroll service  
7 companies in other jurisdictions, including any licensing, permitting, and bonding  
8 requirements; and

9           (2) make recommendations for regulating payroll service companies in  
10 the State, including:

11                   (i) the best practices for preventing fraud by payroll service  
12 companies in the collection and payment of taxes; and

13                   (ii) the feasibility and cost of establishing State licensure or  
14 registration of payroll service companies, including requiring qualifying examinations  
15 and the potential benefits of licensure or registration.

16           (g) On or before December 15, 2013, the Commission shall report its findings  
17 and recommendations to the Senate ~~Education, Health, and Environmental Affairs~~  
18 Finance Committee and the House Economic Matters Committee, in accordance with §  
19 2-1246 of the State Government Article.

20           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
21 ~~July~~ June 1, 2013. It shall remain effective for a period of 1 year and 1 month and, at  
22 the end of June 30, 2014, with no further action required by the General Assembly,  
23 this Act shall be abrogated and of no further force and effect.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.