## **Department of Legislative Services**

Maryland General Assembly 2014 Session

#### FISCAL AND POLICY NOTE

House Bill 1511 (Chair, Health and Government Operations

Committee)(By Request - Departmental - Health and

Mental Hygiene)

Health and Government Operations

### Department of Health and Mental Hygiene - Adult Dependent Care Providers - Maryland Background Check Program

This departmental bill eliminates the current provisions for criminal history records checks (CHRC) and background checks for eligible employees of adult dependent care programs and, instead, establishes a Maryland Background Check Program in the Department of Health and Mental Hygiene (DHMH). The program requires individuals to submit to State and national background checks and CHRC before qualifying for employment as a direct access employee with an adult dependent care provider. DHMH must establish a rapback program to identify direct access employees who have committed disqualifying offenses after obtaining a favorable fitness determination. The bill establishes a special fund, the Maryland Background Check Program Fund, which consists of revenue from fees relating to the Maryland Background Check Program. The bill imposes penalties for violations of the Maryland Background Check Program. A Maryland Background Check Advisory Board is established to advise the program administrator on the development, operation, and maintenance of the program and assist DHMH with developing regulations.

The Maryland Background Check Program is abrogated on December 31, 2016.

# **Fiscal Summary**

**State Effect:** Federal fund expenditures and federal fund revenues increase by \$585,000 in FY 2015 due to a federal grant to establish a State background check program. Special fund revenues for DHMH increase \$600,000 in FY 2015 from administrative fees, some portion of which will be expended (but is not shown) as a match for the federal grant. Special fund revenues and special fund expenditures increase by approximately

\$1.7 million in FY 2015 from CHRCs and the rapback program. Out-year expenditures reflect inflation and employee turnover, annualization, and elimination of the program on December 31, 2016. General fund revenues and expenditures may increase minimally due to the bill's penalty provisions. Potential increase in general and federal fund expenditures (and corresponding federal fund revenues) for Medicaid.

(in dollars)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
SF Revenue	\$2,269,400	\$3,025,900	\$1,512,900	\$0	\$0
FF Revenue	\$585,100	\$500,100	\$275,300	\$0	\$0
GF Expenditure	-	-	-	\$0	\$0
SF Expenditure	\$1,669,400	\$2,225,900	\$1,112,900	\$0	\$0
FF Expenditure	\$585,100	\$500,100	\$275,300	\$0	\$0
Net Effect	\$600,000	\$800,000	\$400,000	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

**Local Effect:** Potential minimal increase in expenditures from fees for adult dependent care providers. Potential minimal increase in revenues and expenditures due to the bill's penalty provisions.

**Small Business Effect:** DHMH has determined that this bill has a meaningful impact on small business (attached). The Department of Legislative Services concurs with this assessment as discussed below.

## **Analysis**

**Bill Summary:** The purpose of the program is to deter patient and resident abuse, neglect, and misappropriation of property by direct access employees of adult dependent care providers by requiring individuals to submit to State and national background checks and CHRC before qualifying for employment as a direct access employee with an adult dependent care provider.

"Adult dependent care program" means a person providing services to dependent adults in a private or public setting. It includes an adult day care facility, an assisted living program facility, a group home, a home health agency, a congregate housing services program, a residential service agency, an alternative living unit, a hospice facility, a long-term care hospital, a special hospital, an individual who provides personal care services under the State Community First Choice Program, and other specified regulated institutions. A "direct access employee" is an individual who is employed by an adult dependent care provider and has or is expected to have duties that involve one-on-one contact with or access to a patient or resident receiving services from an adult dependent care provider or access to the property, personal identifiable information, or financial information of those patients or residents.

Fitness Determinations: An adult dependent care provider must obtain from the Maryland Background Check Program a fitness determination for each applicant that the adult dependent care provider would like to hire as a direct access employee, and that applicant may not begin working until the adult dependent care provider has obtained a favorable fitness determination for the applicant. A "favorable fitness determination" is a determination by the program that an individual is eligible to work as a direct access employee because the individual has not committed a disqualifying offense or has been granted a waiver by the program. A "disqualifying offense" is a conviction for specified public health and welfare violations or a crime of violence. An adult dependent care provider may not hire an applicant as a direct access employee if the individual has an unfavorable fitness determination.

An applicant must submit to the adult dependent care provider an application, a signed disclosure statement, written authorization for a CHRC, fingerprints, and employer references. An applicant must submit to both a preliminary screening and a CHRC. An adult dependent care provider has to conduct a preliminary screening of an applicant by paying the administrative fee set by DHMH and searching for the applicant in the State-based registries from the Maryland Background Check System and the registries of any other state where the applicant resided or was employed for any period of time. If the preliminary screening does not find any disqualifying offenses, the adult dependent care provider must then require the applicant to submit to a State and national CHRC. If an applicant is licensed, certified, or registered in a health occupation in the State for which a State or national CHRC is also required, the applicant does not have to submit fingerprints for a CHRC.

An adult dependent care provider, on behalf of an applicant, must apply to the Criminal Justice Information System (CJIS) Central Repository of the Department of Public Safety and Correctional Services (DPSCS) for a State and national CHRC by submitting fingerprints and accessing and processing fees to the Central Repository. The Central Repository must forward the criminal history record information of the applicant to the adult dependent care provider and the Maryland Background Check Program. Information obtained from the Central Repository is confidential, may not be redisseminated, and must only be used for authorized purposes. An applicant may contest the contents of the criminal history record information.

If an applicant is unable to secure legible fingerprints after two or more attempts, the Maryland Background Check Program may accept a permitted alternative method of a CHRC.

The Maryland Background Check Program must make a fitness determination for each applicant submitted to the program by an adult dependent care provider based on the preliminary screening and the State and national CHRC of the applicant. The program

must send a written notice to the applicant and a notice to the adult dependent care provider on the program's determination of the applicant. If the applicant receives a favorable fitness determination, the adult dependent care provider may hire the applicant.

If an applicant receives an unfavorable fitness determination, the program must also send a written notice to the applicant of the right to appeal the unfavorable fitness determination. The program must also notify the appropriate health occupations board of the applicant's disqualifying offense information if an applicant is licensed, certified, or registered in a State health occupation.

Appeals: An applicant may request an appeal of a fitness determination or the denial of a waiver by requesting the Maryland Background Check Program to conduct an administrative review. After conducting an administrative review, the program must notify the applicant and the adult care provider if the program finds that the applicant has not committed a disqualifying offense. If the applicant committed a disqualifying offense, the program may grant a waiver after considering specified factors. DHMH must adopt regulations establishing the rehabilitative factors.

DHMH Responsibilities: DHMH must adopt rules and regulations to carry out the bill, establish an administrative review process for hearing appeals, establish standards for civil and administrative penalties, establish a timeline for phase-in requirements, and set reasonable fees for its services. These fees must approximate the cost of maintaining the operations of the program.

Rapback Program: DHMH must develop and implement a rapback program to identify direct access employees who have committed disqualifying offenses after obtaining a favorable fitness determination. An adult dependent care provider must periodically verify the eligibility of direct access employees for continued employment. If the rapback program finds that a direct access employee has committed a disqualifying offense, the program must send a written notice to the adult dependent care provider that employs the direct access employee within five business days after obtaining the information. DHMH must adopt regulations to implement the rapback program.

Continued Employment: By December 31, 2019, each direct access employee whose information has not been entered into the Maryland Background Check Program's computer system must submit to a State and national CHRC as a condition of continued employment as a direct access employee.

Individuals, including an employee of the Maryland Background Check Program and an adult dependent care provider, who has access to an applicant's or direct access employee's State and national CHRC must submit to a State and national CHRC before the individual may access another individual's State and national CHRC information.

Maryland Background Check Program Fund: The bill establishes a special, continuing, nonlapsing fund, the Maryland Background Check Program Fund, which consists of revenue from the fees established by the bill as well as State budget appropriations and money accepted from any other source for the benefit of the fund. The fund may only be used to cover the direct and indirect costs of administering the Maryland Background Check Program. The State Treasurer must invest the fund's money in the same manner as other State money, and any investment earnings of the fund must be credited to the State's general fund. The Legislative Auditor must audit the accounts and transactions of the fund.

Penalties: The bill specifies when a State agency or an adult dependent care provider is deemed to be acting in good faith and when the agency or provider has immunity from civil or criminal liability. A person who violates any provision of the bill is guilty of a misdemeanor and, on conviction, is subject to a fine of up to \$1,000 and/or imprisonment for up to one year. DHMH must impose an administrative penalty of up to \$10,000 for each violation on an adult dependent care provider who violates the provisions of the bill. An applicant or a direct access employee who fails to disclose a conviction or the existence of pending charges for a disqualifying offense on a disclosure statement is guilty of perjury and, on conviction, is subject to imprisonment for up to 10 years.

Maryland Background Check Advisory Board: The bill establishes a Maryland Background Check Advisory Board within DHMH to advise the program administrator on the development, operation, and maintenance of the program and to assist DHMH with developing regulations. The bill specifies the 17 board members, who must be appointed by the Secretary of Health and Mental Hygiene. The board members may *not* be compensated for being board members, and they are *not* entitled to be reimbursed for travel expenses. DHMH must provide staff for the board, and the board must meet at least twice a year.

**Current Law:** An adult dependent care program is defined in Section 19-901 of the Health-General Article as (1) an adult day care facility; (2) an assisted living facility; (3) a group home; (4) a home health agency; (5) a congregate housing services program; (6) a residential service agency; (7) an alternative living unit; (8) a hospice facility; or (9) a related institution.

Before an eligible employee may begin work for an adult dependent care program, the program must either apply for a State CHRC or request a private agency to conduct a background check as well as request a reference from the potential employee's most recent employer. An "eligible employee" is an individual who, for compensation, works for an adult dependent care program; has routine, direct access to dependent adults in the program; and is not licensed or certified under the Health Occupations Article. An adult dependent care program must pay for each eligible employee's State CHRC or a private

agency background check. A private agency background check must include a background check in each state in which the adult dependent care program knows or has reason to know the eligible employee worked or resided during the past seven years. An eligible employee must have an opportunity to contest the findings.

An eligible employee may contest the findings of a criminal conviction or pending charge reported in the criminal history records information by appealing to the Secretary of Public Safety and Correctional Services. An eligible employee who violates any provision relating to CHRC and background checks for adult dependent care programs is guilty of a misdemeanor and, on conviction, is subject to a fine of up to \$1,000 and/or imprisonment for up to one year. Likewise, an eligible employee who fails to disclose a conviction or the existence of pending charges is guilty of perjury. Employers that use the information or provide job references in good faith may not be held liable, and an adult dependent care program and a State agency have immunity from civil or criminal liability.

The State Board of Nursing requires registered nurses, licensed practical nurses, certified nursing assistants, and licensed electrologists to submit to a CHRC as part of the licensure or certification process. Subsequent CHRCs are required upon renewal at least once every 12 years. On receipt of criminal history records information, the board must consider the following factors in determining whether to grant a license or certification:

- the age at which the crime was committed;
- the circumstances surrounding the crime;
- the length of time that has passed since the crime;
- subsequent work history;
- employment and character references; and
- any other evidence that demonstrates whether the individual poses a threat to public health or safety.

A nurse referral agency must develop and implement a procedure to screen licensed health care professionals and care providers, including a State CHRC or a private agency background check.

**Background:** As amended, SB 316 of 2012 would have required DHMH to convene a workgroup to examine issues relating to the creation of a health care facility abuser registry and to report its findings and recommendations to specified committees of the General Assembly by December 1, 2012. Although this bill did not pass, the Office of Health Care Quality (OHCQ) voluntarily convened an Abuser Registry Workgroup

comprising representatives of OHCQ, the Office of the Attorney General, law enforcement agencies, health care providers, and the advocate community.

In an initial January 2013 report, OHCQ outlined (1) existing protections for Maryland residents for identifying and protecting the public from individuals with a background of abuse or neglect; (2) the pending grant award from the U.S. Centers for Medicare and Medicaid Services to design, develop, and implement a national background check program in Maryland; and (3) considerations and challenges to establishing an abuse registry in the State, including alternative approaches to a registry.

Then, as required by Chapters 239 and 606 of 2013, the 2012 Abuser Registry Workgroup reconvened to continue its work. The workgroup has considered (1) creating a universal definition of abuse; (2) reducing instances of abuse and neglect in health care settings by educating providers of reporting obligations and by raising abuse and neglect awareness among consumers; (3) creating an employee database of direct access employees as either part of a Maryland background check program or a separate and parallel system; and (4) establishing a Maryland background check program for use as a tool to reduce abuse, neglect, and misappropriation of funds in long-term care facilities. This bill implements a Maryland Background Check Program for use as a tool to reduce abuse, neglect, and misappropriation of funds in long-term care facilities as considered by the workgroup.

The Central Repository: The Central Repository collects, manages, and disseminates Maryland criminal history record information for criminal justice and noncriminal justice (e.g., employment and licensing) purposes. The Central Repository uses a fingerprint-supported system for positive identification. When a state mandates a national check, the Federal Bureau of Investigation requires that the national check be set in statute. The Central Repository is authorized by law to collect a fee for providing a criminal history records check for purposes other than criminal justice.

The cost for a full State and national criminal history records check is \$54.50, which includes the cost for fingerprints taken by the Central Repository. Applicants may have fingerprinting performed by a private provider, in which case fingerprinting fees may vary.

National Background Check Program: Under the federal Patient Protection and Affordable Care Act (ACA), the U.S. Department of Health and Human Services established a nationwide background check program for "prospective direct patient access employees." States are eligible to apply for grants to design comprehensive criminal background checks for such employees and must test methods that reduce duplicative fingerprinting, including providing for the development of "rapback" capability. Maryland received a three-year grant in January 2013 to develop a Maryland

Background Check Program, which will include a rapback process. Individuals included in the rapback process are flagged at the time the original criminal history report is generated by CJIS. When new arrest or updated conviction information is received related to the flagged individual, the system automatically generates a notification to designated parties. The rapback system decreases the need for repeat fingerprinting of individuals in the system, resulting in cost savings for employers.

**State Revenues:** For pilot states that established background check programs for direct access employees, the volume of background checks varied from fewer than 8,000 background checks per year in New Mexico to almost 63,000 background checks per year in Michigan. DHMH estimates between 30,000 and 50,000 background checks will be conducted annually for direct access employees. In fiscal 2013, CJIS performed approximately 8,700 CHRCs on employees who work for an adult dependent care program while private agencies conducted background checks on an unknown number of employees who work for an adult dependent care program. Assuming 40,000 background checks are performed annually under the bill and DHMH charges a \$20 administrative fee, special fund revenues increase by \$800,000 on an annualized basis and \$600,000 in fiscal 2015 (which accounts for the bill's October 14, effective date). (This estimate does not account for expenditure of these funds, although it is assumed they will be used in some manner to meet the federal match requirement.)

Special fund revenues increase by approximately \$1.7 million in fiscal 2015 from fees for DPSCS to perform CHRCs. This estimate assumes CHRCs are conducted on an additional 31,300 employees and federal rapback checks are conducted on 40,000 employees. However, the special fund revenues are fully offset by special fund expenditures for DPSCS.

The State was awarded a three-year federal grant of \$1,360,521 from the Centers for Medicare and Medicaid Services (CMS) to establish a State background check program on all prospective direct patient access employees. The grant requires the State to match one-third of the funds, which DHMH plans to meet through the program's administrative fee, and the State may apply for additional funding of up to \$1,639,479. The bill establishes a State background check program that meets the requirements of the CMS grant. However, terminating the Maryland Background Check Program on December 31, 2016, may jeopardize receiving the entire federal grant. Additionally, to the extent that the Maryland Background Check Program or a similar program is not enacted, the State must return the federal funds from the CMS grant.

General fund revenues may increase minimally due to additional fines assessed against violators of the Maryland Background Check Program.

#### **State Expenditures:**

#### DHMH Administrative Costs

Federal fund expenditures increase by \$522,425 in fiscal 2015, which accounts for the bill's October 1, 2014 effective date. This estimate includes the cost of a program administrator, which DHMH hired on July 31, 2013, in anticipation of the bill to comply with the terms of the federal grant and for execution and development of the Maryland Background Check Program. When the program terminates on December 31, 2016, the Department of Legislative Services (DLS) assumes the program administrator's position will be eliminated.

DLS advises that because the added responsibilities incurred by this legislation are not permanent, they may be performed by contractual employees. This estimate reflects the cost of hiring one contractual assistant Attorney General, one contractual network specialist, four contractual determination analysts, one contractual accountant, one contractual administrative aide, and one contractual fiscal clerk to administer the Maryland Background Check Program. The additional contractual staff is needed to make fitness determinations, handle phone and email inquiries, manage fee collections, prepare reports, and oversee hearings. It includes salaries, fringe benefits, one-time start-up costs, third-party network fees, and ongoing operating expenses.

Regular Position	1
Contractual Positions	9
Salaries and Fringe Benefits	\$359,885
Network Expenses	90,000
Operating Expenses	<u>72,190</u>
<b>Total FY 2015 State Expenditures</b>	\$522,075

Future year expenditures reflect full salaries with annual increases and employee turnover as well as annual increases in ongoing operating expenses until December 31, 2016, at which point the Maryland Background Check Program is terminated.

This estimate does not include any health insurance costs that could be incurred for specified contractual employees under the State's implementation of ACA.

After spending \$522,075 of federal funds on staff and network fees, DHMH still has approximately \$63,000 of federal funds to spend in fiscal 2015. It is assumed that DHMH uses these funds to offset some of the costs to adult dependent care providers.

#### DPSCS Expenditures

Special fund expenditures increase by approximately \$1.7 million in fiscal 2015 for DPSCS to perform CHRCs. This estimate assumes CHRCs are conducted on an additional 31,300 employees and federal rapback checks are conducted on 40,000 employees. However, this cost is fully offset by an increase in DPSCS special fund revenues since the background check fees cover the associated costs of performing CHRCs. For every 40,000 additional applications, one fingerprinting specialist may need to be hired. If 40,000 employees participate in the Maryland Background Check Program, there are 31,300 additional applications for DPSCS, so it is likely that DPSCS does not need any additional staff. However, to the extent that DPSCS must perform 40,000 or more additional CHRC, DPSCS would need to hire one fingerprinting specialist and raise its fees to cover the costs.

#### Adult Dependent Care Provider Costs

State expenditures increase by approximately \$87.50 per direct access employee that the State, as an adult dependent care provider, employs if the State does not currently perform a background check on that employee. If the State currently performs a CHRC on a direct access employee, the State only incurs an additional cost of \$33 per employee for the administrative fee and the rapback fee. If the State currently performs a background check through a private agency, the State experiences an additional cost of between \$33 and \$77.50 per direct access employee, depending on what the State currently pays to a private agency.

For example, the Health Systems and Infrastructure Administration (HSIA) of DHMH oversees the State's two chronic disease hospital centers – Western Maryland Hospital Center and Deer's Head Center – which provide specialized services for those in need of complex medical management, comprehensive rehabilitation, long-term care, or dialysis. The facilities currently pay approximately \$38 per employee to a private agency to perform background checks on all 140 of their employees. Under the bill, HSIA pays an additional \$49.50 for background checks on each direct access employee, so general fund expenditures increase \$6,930, assuming there are no additional costs for equipment. Western Maryland Hospital Center discontinued using the CJIS system for background checks because it became cost prohibitive and the equipment for digital fingerprinting was too costly.

The Developmental Disabilities Administration (DDA) of DHMH provides direct services to developmentally disabled individuals in two State residential centers (SRCs) and through funding of a coordinated service delivery system that supports the integration of these individuals into the community. Approximately 220 community support providers are regulated and licensed by the State. The State receives federal matching

funds for services provided to the Maryland Medical Assistance Program (Medicaid) enrolled individuals (who make up the vast majority of individuals served by the agency). Any increase in general fund expenditures depends on an adult dependent care provider's ability to pass the costs on to the State. DDA does not believe the bill has a significant impact on DDA, but to the extent that the costs are passed on to the State, general fund expenditures increase, with 50% of the costs being offset by federal fund revenues and expenditures from Medicaid.

#### Penalty Expenditures

General fund expenditures increase minimally as a result of the bill's incarceration penalty due to more people being committed to State correctional facilities and increased payments to counties for reimbursement of inmate costs. The number of people convicted of this proposed crime is expected to be minimal.

Persons serving a sentence longer than 18 months are incarcerated in State correctional facilities. Currently, the average total cost per inmate, including overhead, is estimated at \$3,100 per month. This bill alone, however, should not create the need for additional beds, personnel, or facilities. Excluding overhead, the average cost of housing a new State inmate (including variable health care costs) is about \$735 per month. Excluding all health care, the average variable costs total \$185 per month

Persons serving a sentence of one year or less in a jurisdiction other than Baltimore City are sentenced to local detention facilities. For persons sentenced to a term of between 12 and 18 months, the sentencing judge has the discretion to order that the sentence be served at a local facility or a State correctional facility. Prior to fiscal 2010, the State reimbursed counties for part of their incarceration costs, on a per diem basis, after a person had served 90 days. Currently, the State provides assistance to the counties for locally sentenced inmates and for inmates who are sentenced to and awaiting transfer to the State correctional system. A \$45 per diem grant is provided to each county for each day between 12 and 18 months that a sentenced inmate is confined in a local detention center. Counties also receive an additional \$45 per day grant for inmates who have been sentenced to the custody of the State but are confined in a local facility. The State does not pay for pretrial detention time in a local correctional facility. Persons sentenced in Baltimore City are generally incarcerated in State correctional facilities. The Baltimore City Detention Center, a State-operated facility, is used primarily for pretrial detentions.

**Local Fiscal Effect:** To the extent that local governments operate adult dependent care programs and employ a direct access employee, expenditures increase by approximately \$87.50 for each employee. However, the increase in expenditures may be offset by reimbursements from federal or State programs, such as Medicare or Medicaid.

Revenues may increase minimally as a result of the bill's monetary penalty provisions from cases heard in the circuit courts. Additionally, expenditures may increase minimally as a result of the bill's incarceration penalties. Counties pay the full cost of incarceration for people in their facilities for the first 12 months of the sentence. A \$45 per diem State grant is provided to each county for each day between 12 and 18 months that a sentenced inmate is confined in a local detention center. Counties also receive an additional \$45 per day grant for inmates who have been sentenced to the custody of the State but are confined in a local facility. Per diem operating costs of local detention facilities have ranged from approximately \$60 to \$160 per inmate in recent years.

Small Business Effect: There are approximately 3,100 adult dependent care providers in the State. An adult dependent care provider incurs additional costs from the bill. These costs include human resources (HR) personnel time, costs associated with conducting background checks, HR time spent working with applicants to provide instructions regarding the background check application and process, HR time spent working with DHMH and the Central Repository to assure processing of the checks, and administrative costs associated with ensuring proper documentation of background check completion for staff. Exhibit 1 shows the fees that an adult dependent care provider will likely incur for each direct access employee on whom it conducts a background check. The \$13 rapback fee is for a lifetime federal rapback; however, if the Maryland Background Check Program decides only to do a State rapback, then there is no State rapback fee. Additionally, DHMH estimates the administrative fee for the program will likely be between \$15 and \$25, so the Department of Legislative Services assumes an administrative fee of \$20.

Exhibit 1
Adult Dependent Care Provider Fees per Direct Access Employee

<b>Total Fees per Employee</b>	\$87.50
Program Administrative Fee	20.00
Federal Rapback Fee	13.00
Fingerprinting Fee	20.00
CJIS Fee	18.00
FBI Fee	\$16.50

Source: Department of Legislative Services

For pilot states that participated in the national background check program, the median background completion time was 15 days from initiation of the background check until HB 1511/ Page 12

completion, but 25% of background checks took 33 days or more to complete, and 10% took 81 or more days. To the extent that it takes a long time for background checks to be completed, adult dependent care providers may experience delays in hiring, which could have operational impacts.

Private agencies that currently provide background checks are negatively impacted since adult dependent care providers must utilize the Maryland Background Check Program instead of the services of private agencies.

**Additional Comments:** The Maryland Background Check Program is abrogated on December 31, 2016, while the Maryland Background Check Advisory Board continues to exist. DHMH advises that this was unintentional; the Maryland Background Check Program should continue to exist and the Maryland Background Check Advisory Board should be abrogated on December 31, 2016.

#### **Additional Information**

**Prior Introductions:** None.

Cross File: None.

**Information Source(s):** Department of Health and Mental Hygiene, Maryland Association of Counties, Department of Public Safety and Correctional Services, Centers for Medicare and Medicaid Services, Department of Legislative Services

**Fiscal Note History:** First Reader - March 13, 2014

mm/ljm

Analysis by: Heather N. Ruby

Direct Inquiries to:
(410) 946-5510

(301) 970-5510

#### ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Adult Dependent Care Providers – Criminal History Records Checks

and Background Checks on Direct Access Employees

BILL NUMBER: HB 1511

PREPARED BY: Department of Health and Mental Hygiene

### PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

X WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

#### PART B. ECONOMIC IMPACT ANALYSIS

Private agency and third party vendors may be impacted negatively as providers shift to using the Maryland background check program instead of running background checks through private entities.