

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 815 (Senator Watson, *et al.*)

Finance and Education, Energy, and the
Environment

Occupational Licensing and Certification - Criminal History - Prohibited
Disclosures

This bill makes several alterations to existing statutory provisions that prohibit certain executive departments from denying an occupational license or certificate to an applicant solely on the basis of the criminal history of the applicant unless the department makes a specified determination after consideration of specified factors. The bill’s changes include (1) limiting application of the statute to the Maryland Department of Labor (MD Labor) only; (2) applying the statute to all ex-offenders (not just nonviolent ex-offenders); (3) prohibiting MD Labor from requiring an applicant for an occupational license or certificate to disclose specified criminal history information as part of an application; and (4) expanding the list of factors for consideration.

Fiscal Summary

State Effect: Assuming that MD Labor does not need to upgrade its application system, the bill is not expected to materially affect State finances or operations, as discussed below.

Local Effect: The bill does not materially affect local government finances or operations.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary/Current Law: Under current law, “department” means the Maryland Department of Agriculture (MDA); the Maryland Department of the Environment (MDE); the Maryland Department of Health (MDH); the Department of Human Services (DHS);

MD Labor; or the Department of Public Safety and Correctional Services (DPSCS). “Department” includes any unit of these departments.

The bill limits application of the statute to MD Labor by removing MDA, MDE, MDH, DHS, and DPSCS from the definition of “department.”

Under current law, it is the policy of the State to encourage the employment of *nonviolent* ex-offenders and remove barriers to their ability to demonstrate fitness for occupational licenses or certifications required by the State. The bill applies this policy to *all* ex-offenders. The bill makes a corresponding change by repealing a provision that refers to persons convicted of a crime of violence under § 14-101 of the Criminal Law Article.

The bill prohibits MD Labor from requiring an applicant for an occupational license or certificate to disclose the following as a part of an application: (1) a deferred adjudication; (2) participation in a diversion program; (3) an arrest not followed by a conviction; (4) a conviction for which no term of imprisonment may be imposed; (5) a conviction that has been sealed, vacated, dismissed, expunged, or pardoned; (6) an adjudication of a delinquent act as a juvenile; (7) a conviction for a misdemeanor that did not involve physical harm to another individual; (8) a conviction for which a period of three years has passed since the applicant completed serving the applicant’s sentence if the sentence did not include a term of imprisonment; or (9) unless the conviction was for a crime of violence as defined under § 14-101 of the Criminal Law Article, a conviction for which three years have passed since the end of the individual’s term of imprisonment.

Under current law, except as specified, a department may not deny an occupational license or certificate to an applicant solely on the basis that the applicant has previously been convicted of a crime, unless the department determines that (1) there is a direct relationship between the applicant’s previous conviction and the specific occupational license or certificate sought or (2) the issuance of the license or certificate would involve an *unreasonable risk* to property or to the safety or welfare of specific individuals or the general public.

Under the bill, MD Labor may not deny an occupational license or certificate to an applicant solely on the basis that the applicant has previously been convicted of a crime, unless MD Labor determines that (1) there is a direct relationship between the applicant’s previous conviction and the specific occupational license or certificate sought or (2) the issuance of the license or certificate would involve a *direct and substantial threat* to public safety or specific individuals or property.

Under current law, in making this determination, the department must consider (1) the policy of the State described above; (2) the specific duties and responsibilities required of a licensee or certificate holder; (3) whether the applicant’s previous conviction has any

impact on the applicant's fitness or ability to perform the duties and responsibilities authorized by the license or certificate; (4) the age of the applicant at the time of the conviction and the amount of time that has elapsed since the conviction; (5) the seriousness of the offense for which the applicant was convicted; (6) other information provided by the applicant or on the applicant's behalf with regard to the applicant's rehabilitation and good conduct; and (7) the legitimate interest of the department in protecting property and the safety and welfare of specific individuals or the general public.

The bill adds the following required considerations: (1) the applicant's education, training, and employment history before, during, and after the applicant's term of imprisonment; and (2) whether the occupational license or certificate requires the applicant to be bonded.

Under current law, with the exception of a crime for which registration on the sex offender registry is required, if at least seven years have passed since an applicant completed serving the sentence for a crime, including all imprisonment, mandatory supervision, probation, and parole, and the applicant has not been charged with another crime other than a minor traffic violation during that time, a department may not deny an occupational license or certificate to the applicant solely on the basis that the applicant was previously convicted of the crime. The bill retains this provision but alters it to reflect application of the statute to MD Labor only.

State Fiscal Effect: Assuming that MD Labor does not need to upgrade its application system, the bill is not anticipated to have a material effect on State finances or operations.

DHS, DPSCS, and MDA all advise that they do not anticipate a fiscal or operational impact from the bill on their respective agencies.

MD Labor also advises that the bill does not have a fiscal or operational impact on the department. However, with respect to prior legislation that contained similar provisions (along with additional extensive provisions), MD Labor advised that it incurs one-time costs of approximately \$100,000 to upgrade the department's application system, which handles 250 different applications for boards and commissions.

Small Business Effect: The bill may have a meaningful effect on small business employers that are able to find licensed or certified employees as a result of the bill.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years; however, legislation with similar provisions has been proposed. For example, see SB 54 and HB 175 of 2024 and HB 906 of 2023.

Designated Cross File: None.

Information Source(s): Maryland Department of Agriculture; Department of Budget and Management; Department of Human Services; Maryland Department of Labor; Department of Public Safety and Correctional Services; Department of Legislative Services

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