

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1371
Economic Matters

(Delegate Wu)

Off-Shore Banking Zone and International Financial Center Task Force

This bill establishes the Off-Shore Banking Zone and International Financial Center Task Force, staffed by the Department of Commerce. The task force must discuss and review the overall concept, viability, and available options associated with developing an off-shore special banking zone and an international financial center in the State. By December 15, 2024, the task force must report its findings and recommendations to the Governor and specified legislative committees. **The bill takes effect June 1, 2024, and terminates June 30, 2025.**

Fiscal Summary

State Effect: Any expense reimbursements for task force members and staffing costs for the Department of Commerce are assumed to be minimal and absorbable with existing budgeted resources. No effect on revenues.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The task force must discuss and review the overall concept, viability, and available options associated with developing an off-shore special banking zone and an international financial center in the State, including federal policies and requirements and State agency policies, regulations, and programs.

The task force must make recommendations, including proposed legislation, to the General Assembly relating to the development of an off-shore special banking zone and an international financial center in the State.

Members of the task force may not receive compensation but are entitled to reimbursement for expenses under the standard State travel regulations.

Current Law: The Office of Financial Regulation within the Maryland Department of Labor regulates State-chartered and State-licensed financial institutions operating in Maryland. These include depository institutions such as Maryland-chartered banks, trust companies, bank holding companies, and credit unions, as well as nondepository entities such as money transmitters, check cashers, consumer lenders, sales finance companies, installment lenders, mortgage lenders, mortgage loan originators, credit services businesses, debt management services providers, debt settlement services providers, consumer reporting agencies, and collection agencies.

There are no off-shore banking zones or international financial centers in the State.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Department of Commerce; Maryland Association of Counties; Maryland State Treasurer's Office; Maryland Department of Labor; Department of Legislative Services

Fiscal Note History: First Reader - February 28, 2024
db/hlb

Analysis by: Trevor S. Owen

Direct Inquiries to:
(410) 946-5510
(301) 970-5510