

SENATE BILL 301

P5

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CF HB 324

By: **Chair, Joint Audit Committee**

Introduced and read first time: January 22, 2020

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 25, 2020

CHAPTER _____

1 AN ACT concerning

2 **State Government – Office of Legislative Audits – Costs and Frequency of Audits**

3 FOR the purpose of repealing the requirement that the cost of the fiscal portion of
4 postaudit examinations of the Environmental Trust Fund be an operating cost of the
5 Environmental Trust Fund; repealing the requirement that the cost of the fiscal
6 portion of the audits of the 9–1–1 Trust Fund be paid from the 9–1–1 Trust Fund as
7 an administrative cost; repealing the requirement that the cost of the fiscal portion
8 of the postaudit examinations of the Universal Service Trust Fund be paid from the
9 Universal Service Trust Fund as an administrative cost; ~~altering the frequency at
10 which the Office of Legislative Audits is required to conduct performance audits of
11 the Board of Liquor License Commissioners for Baltimore City and the Board of
12 Liquor License Commissioners for Prince George’s County;~~ and generally relating to
13 audits performed by the Office of Legislative Audits.

14 BY repealing and reenacting, without amendments,
15 Article – Natural Resources
16 Section 3–302(a)(1)
17 Annotated Code of Maryland
18 (2018 Replacement Volume and 2019 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article – Natural Resources
21 Section 3–302(e)
22 Annotated Code of Maryland
23 (2018 Replacement Volume and 2019 Supplement)

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 BY repealing and reenacting, with amendments,
 2 Article – Public Safety
 3 Section 1–309(f)
 4 Annotated Code of Maryland
 5 (2018 Replacement Volume and 2019 Supplement)

6 BY repealing and reenacting, with amendments,
 7 Article – State Finance and Procurement
 8 Section 3A–506(g)
 9 Annotated Code of Maryland
 10 (2015 Replacement Volume and 2019 Supplement)

11 ~~BY repealing and reenacting, with amendments,~~
 12 ~~Article – State Government~~
 13 ~~Section 2–1220(f) and (g)~~
 14 ~~Annotated Code of Maryland~~
 15 ~~(2014 Replacement Volume and 2019 Supplement)~~

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 17 That the Laws of Maryland read as follows:

18 **Article – Natural Resources**

19 3–302.

20 (a) (1) There is an Environmental Trust Fund.

21 (e) The Legislative Auditor may conduct post audits of a fiscal and compliance
 22 nature of the Fund and of the appropriations and expenditures made for the purposes of
 23 this subtitle. [The cost of the fiscal portion of the post audit examinations shall be an
 24 operating cost of the Fund.]

25 **Article – Public Safety**

26 1–309.

27 (f) [(1)] The Legislative Auditor may conduct fiscal/compliance audits of the
 28 9–1–1 Trust Fund and of the appropriations and disbursements made for purposes of this
 29 subtitle.

30 [(2)] The cost of the fiscal portion of the audits shall be paid from the 9–1–1
 31 Trust Fund as an administrative cost.]

32 **Article – State Finance and Procurement**

33 3A–506.

1 (g) [(1)] The Legislative Auditor may conduct postaudits of a fiscal and
2 compliance nature of the Universal Service Trust Fund and the expenditures made for
3 purposes of § 3A-504(a) of this subtitle and §§ 3A-602(a) and 3A-702 of this title.

4 [(2)] The cost of the fiscal portion of the postaudit examination shall be paid
5 from the Universal Service Trust Fund as an administrative cost.]

6 ~~Article State Government~~

7 ~~2-1220.~~

8 ~~(f) (1) At least once every [4] 6 years, the Office of Legislative Audits shall~~
9 ~~conduct a performance audit of the Board of Liquor License Commissioners for Baltimore~~
10 ~~City to evaluate the effectiveness and efficiency of the management practices of the Board~~
11 ~~and of the economy with which the Board uses resources.~~

12 ~~(2) At any time on request of the President and the Speaker, the Office~~
13 ~~shall conduct a performance audit of the local licensing board, as defined in § 1-101 of the~~
14 ~~Alcoholic Beverages Article, for a county or for the City of Annapolis to evaluate the~~
15 ~~effectiveness and efficiency of the management practices of the board and of the economy~~
16 ~~with which the board uses resources.~~

17 ~~(3) The performance audit shall focus on operations relating to liquor~~
18 ~~inspections, licensing, disciplinary procedures, and management oversight.~~

19 ~~(g) (1) Beginning on July 1, 2017, and at least once every [3] 6 years~~
20 ~~thereafter, the Office of Legislative Audits shall conduct a performance audit of the Board~~
21 ~~of License Commissioners for Prince George's County to evaluate the effectiveness and~~
22 ~~efficiency of the management practices of the Board and of the economy with which the~~
23 ~~Board uses resources.~~

24 ~~(2) The performance audit shall focus on operations relating to liquor~~
25 ~~inspections, licensing, disciplinary procedures, and management oversight.~~

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
27 1, 2020.