

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

House Bill 707
Ways and Means

(Prince George's County Delegation)
Education, Health, and Environmental Affairs

**Prince George's County - Board of Education - Issuance of Credit Cards -
Prohibition
PG 411-15**

This bill prohibits the Prince George's County Board of Education from issuing a credit card to a member of the county board.

The bill takes effect July 1, 2016.

Fiscal Summary

State Effect: None.

Local Effect: None. The Prince George's County Board of Education has recently amended its bylaws to prohibit the use of credit cards by board members for school related expenses.

Small Business Effect: None.

Analysis

Current Law: Elected and appointed members of the Prince George's County Board of Education receive a salary of \$18,000 annually; the chair of the board receives \$19,000 annually. Elected and appointed members may be provided health insurance and other fringe benefits regularly provided to board employees. After submitting vouchers under the county board's rules and regulations, all members are entitled to a maximum of \$7,000 per fiscal year in allowances for travel and other expenses, as provided in the county budget.

Bylaw 9354 of the Prince George's County Board of Education provides guidance to board members regarding allowable (reimbursable) expenses and specifies that no personal use of board funds is allowed by board members.

Background: In the past several years there have been reports of excessive use of credit cards issued by the Prince George's County Board of Education by board members for meals and hotel rooms. In April 2013, the Prince George's County Board of Education voted to suspend the board-issued credit card of one member until that member paid for more than \$700 in charges to the card that an internal auditor found to be unauthorized. Though the board member disputed this determination, the board also voted that the expenses in question were unauthorized.

In 2014, the Montgomery County Board of Education voted to discontinue the use of county government issued credit cards after reports of excessive use of the credit cards for meals by board members.

Local Fiscal Effect: On February 12, 2015, the Prince George's County Board of Education adopted a change to its internal Bylaw 9354 to prohibit the use of credit cards for school-related expenses by board members. As such, the bill will not have any fiscal impact on the Prince George's County Board of Education.

Additional Information

Prior Introductions: HB 1055 of 2014 received a hearing in the House Ways and Means Committee, but no further action was taken.

Cross File: None.

Information Source(s): Prince George's County, Department of Legislative Services

Fiscal Note History: First Reader - March 6, 2015
md/hlb

Analysis by: Michael Sanelli

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