

HOUSE BILL 84

P1, P5

6lr1284
CF SB 116

By: **The Speaker (By Request – Department of Legislative Services)**

Introduced and read first time: January 15, 2016

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **State Government – Office of Legislative Audits – Alterations in Audit**
3 **Requirements**

4 FOR the purpose of altering the time period during which the Office of Legislative Audits
5 and the Legislative Auditor are required to audit certain State funds, programs,
6 authorities, units, and a certain local liquor board; altering the statutory authority
7 under which the Office of Legislative Audits and the Legislative Auditor are required
8 to audit certain funds, programs, and units; repealing the requirement that the
9 Office of Legislative Audits and the Legislative Auditor perform certain audits of
10 certain licensees, funds, and agencies; repealing the requirement for the Office of
11 Legislative Audits to approve certain independent auditors selected by certain
12 corporations and centers; repealing the requirement for the Legislative Auditor to
13 concur on certain audits of community colleges performed by certain auditors in
14 order for the audits to meet a certain requirement; repealing the requirement for the
15 Legislative Auditor to certify a certain form completed by a certain hospital; altering
16 the time period during which a certain corporation is required to maintain possession
17 and custody of certain documents related to a certain audit; authorizing, rather than
18 requiring, the Legislative Auditor to conduct certain post audit examinations and
19 fiscal/compliance audits of certain funds; repealing the requirement for the Office of
20 Legislative Audits and the Legislative Auditor to evaluate, audit, and summarize
21 certain information from certain offices and agencies; altering the time period during
22 which the Office of Legislative Audits is required to conduct a fiscal/compliance audit
23 of each unit of the State government, except for units in the Legislative Branch;
24 repealing the requirement for the Legislative Auditor to evaluate the utilization of
25 certain funds allocated to certain businesses; repealing the authorization for the
26 Legislative Auditor to audit certain accounts of a certain system and certain
27 administrations; making stylistic changes; and generally relating to alterations in
28 audit requirements for the Office of Legislative Audits.

29 BY repealing and reenacting, without amendments,
30 Article – Agriculture

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 Section 2–505(a)
2 Annotated Code of Maryland
3 (2007 Replacement Volume and 2015 Supplement)
- 4 BY repealing and reenacting, with amendments,
5 Article – Agriculture
6 Section 2–505(h)
7 Annotated Code of Maryland
8 (2007 Replacement Volume and 2015 Supplement)
- 9 BY repealing and reenacting, without amendments,
10 Article – Business Regulation
11 Section 4.5–203(a)(1), 4.5–703(a), and 11–101(i)
12 Annotated Code of Maryland
13 (2015 Replacement Volume and 2015 Supplement)
- 14 BY repealing and reenacting, with amendments,
15 Article – Business Regulation
16 Section 4.5–203(c) and 4.5–703(e)
17 Annotated Code of Maryland
18 (2015 Replacement Volume and 2015 Supplement)
- 19 BY repealing
20 Article – Business Regulation
21 Section 11–313(d)
22 Annotated Code of Maryland
23 (2015 Replacement Volume and 2015 Supplement)
- 24 BY repealing
25 Article – Correctional Services
26 Section 3–510
27 Annotated Code of Maryland
28 (2008 Replacement Volume and 2015 Supplement)
- 29 BY repealing and reenacting, without amendments,
30 Article – Economic Development
31 Section 10–201(b), 10–401(c), 10–501(f), 10–806(a), and 10–901(c)
32 Annotated Code of Maryland
33 (2008 Volume and 2015 Supplement)
- 34 BY repealing and reenacting, with amendments,
35 Article – Economic Development
36 Section 10–227, 10–414, 10–526, 10–825, and 10–911
37 Annotated Code of Maryland
38 (2008 Volume and 2015 Supplement)
- 39 BY repealing and reenacting, without amendments,

- 1 Article – Education
2 Section 16–315(b)
3 Annotated Code of Maryland
4 (2014 Replacement Volume and 2015 Supplement)
- 5 BY repealing and reenacting, with amendments,
6 Article – Education
7 Section 16–315(f)
8 Annotated Code of Maryland
9 (2014 Replacement Volume and 2015 Supplement)
- 10 BY repealing and reenacting, without amendments,
11 Article – Environment
12 Section 9–1605(a)(1) and 9–1605.1(a)(1)
13 Annotated Code of Maryland
14 (2014 Replacement Volume and 2015 Supplement)
- 15 BY repealing and reenacting, with amendments,
16 Article – Environment
17 Section 9–1605(a)(6) and 9–1605.1(a)(6)
18 Annotated Code of Maryland
19 (2014 Replacement Volume and 2015 Supplement)
- 20 BY repealing and reenacting, with amendments,
21 Article – Health – General
22 Section 13–1303(d)(2), 13–2206(c), and 19–216(b)(1)
23 Annotated Code of Maryland
24 (2015 Replacement Volume)
- 25 BY repealing and reenacting, without amendments,
26 Article – Health – General
27 Section 19–201(b) and (c) and 19–216(a)
28 Annotated Code of Maryland
29 (2015 Replacement Volume)
- 30 BY repealing and reenacting, with amendments,
31 Article – Health Occupations
32 Section 14–402(f)
33 Annotated Code of Maryland
34 (2014 Replacement Volume and 2015 Supplement)
- 35 BY repealing and reenacting, without amendments,
36 Article – Human Services
37 Section 11–101(c) and 11–408(a)(2) and (b)(2)
38 Annotated Code of Maryland
39 (2007 Volume and 2015 Supplement)

- 1 BY repealing and reenacting, with amendments,
2 Article – Human Services
3 Section 11–408(b)(4)
4 Annotated Code of Maryland
5 (2007 Volume and 2015 Supplement)
- 6 BY repealing and reenacting, without amendments,
7 Article – Local Government
8 Section 30–102(a)
9 Annotated Code of Maryland
10 (2013 Volume and 2015 Supplement)
- 11 BY repealing and reenacting, with amendments,
12 Article – Local Government
13 Section 30–106(d)(1)
14 Annotated Code of Maryland
15 (2013 Volume and 2015 Supplement)
- 16 BY repealing and reenacting, without amendments,
17 Article – Natural Resources
18 Section 3–302(a)(1)
19 Annotated Code of Maryland
20 (2012 Replacement Volume and 2015 Supplement)
- 21 BY repealing and reenacting, with amendments,
22 Article – Natural Resources
23 Section 3–302(e)
24 Annotated Code of Maryland
25 (2012 Replacement Volume and 2015 Supplement)
- 26 BY repealing and reenacting, with amendments,
27 Article – Public Safety
28 Section 1–309(f)(1) and 2–514
29 Annotated Code of Maryland
30 (2011 Replacement Volume and 2015 Supplement)
- 31 BY repealing and reenacting, without amendments,
32 Article – Public Utilities
33 Section 7–512.1(a)(1)
34 Annotated Code of Maryland
35 (2010 Replacement Volume and 2015 Supplement)
- 36 BY repealing and reenacting, with amendments,
37 Article – Public Utilities
38 Section 7–512.1(c)(4)
39 Annotated Code of Maryland
40 (2010 Replacement Volume and 2015 Supplement)

- 1 BY repealing and reenacting, without amendments,
2 Article – State Finance and Procurement
3 Section 2–701
4 Annotated Code of Maryland
5 (2015 Replacement Volume)
- 6 BY repealing and reenacting, with amendments,
7 Article – State Finance and Procurement
8 Section 2–702(b) and 3A–506(g)(1)
9 Annotated Code of Maryland
10 (2015 Replacement Volume)
- 11 BY repealing and reenacting, with amendments,
12 Article – State Government
13 Section 2–1220, 9–1A–34, and 9–1A–35(f)
14 Annotated Code of Maryland
15 (2014 Replacement Volume and 2015 Supplement)
- 16 BY repealing and reenacting, without amendments,
17 Article – State Government
18 Section 9–101(b) and (c) and 9–1A–35(a)
19 Annotated Code of Maryland
20 (2014 Replacement Volume and 2015 Supplement)
- 21 BY repealing
22 Article – State Government
23 Section 9–121
24 Annotated Code of Maryland
25 (2014 Replacement Volume and 2015 Supplement)
- 26 BY repealing
27 Article – State Personnel and Pensions
28 Section 21–127
29 Annotated Code of Maryland
30 (2015 Replacement Volume)
- 31 BY repealing and reenacting, without amendments,
32 Article – Transportation
33 Section 5–101(b), 6–101(b), and 7–101(b)
34 Annotated Code of Maryland
35 (2015 Replacement Volume and 2015 Supplement)
- 36 BY repealing
37 Article – Transportation
38 Section 5–215.1, 6–212.1, and 7–211.1
39 Annotated Code of Maryland
40 (2015 Replacement Volume and 2015 Supplement)

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

3 **Article – Agriculture**

4 2–505.

5 (a) The Maryland Agricultural Land Preservation Fund is created and continued
6 for the purposes specified in this subtitle.

7 (h) The Fund [shall be audited annually] **IS SUBJECT TO AUDIT** by the
8 Legislative Auditor [in the manner prescribed by law] **AS PROVIDED IN § 2–1220 OF THE**
9 **STATE GOVERNMENT ARTICLE.**

10 **Article – Business Regulation**

11 4.5–203.

12 (a) (1) There is a Home Builder Registration Fund.

13 (c) The [Office of Legislative Audits shall audit the] accounts and transactions of
14 the Registration Fund [under §] **SHALL BE SUBJECT TO AUDIT BY THE LEGISLATIVE**
15 **AUDITOR IN ACCORDANCE WITH §§ 2–1220 THROUGH 2–1227** of the State Government
16 Article.

17 4.5–703.

18 (a) The Division shall:

19 (1) establish a Home Builder Guaranty Fund; and

20 (2) maintain the Guaranty Fund at a level of at least \$1,000,000.

21 (e) The [Office of Legislative Audits shall audit the] accounts and transactions of
22 the Guaranty Fund [under §] **SHALL BE SUBJECT TO AUDIT BY THE LEGISLATIVE**
23 **AUDITOR IN ACCORDANCE WITH §§ 2–1220 THROUGH 2–1227** of the State Government
24 Article.

25 11–101.

26 (i) “Licensee” means a person who has been awarded racing days for the current
27 calendar year.

28 11–313.

1 [(d) The Office of Legislative Audits shall audit each licensee at least once every 2
2 years in accordance with the provisions of §§ 2–1217 through 2–1227 of the State
3 Government Article.]

4 Article – Correctional Services

5 [3–510.

6 (a) The Legislative Auditor shall conduct audits of Maryland Correctional
7 Enterprises in accordance with Title 2, Subtitle 12, Part IV of the State Government Article.

8 (b) The Legislative Auditor shall advise officials of Maryland Correctional
9 Enterprises of the frequency of audits to be conducted.

10 (c) Maryland Correctional Enterprises shall bear the cost of the fiscal portion of
11 a post audit examination.]

12 Article – Economic Development

13 10–201.

14 (b) “Authority” means the Maryland Food Center Authority.

15 10–227.

16 [(a)] The Legislative Auditor[:

17 (1)] may conduct a fiscal and compliance audit of the accounts and
18 transactions of the Authority [yearly or every 2 years; and

19 (2) shall advise officials of the Authority whether the audit will be yearly
20 or every 2 years.

21 (b) The Authority shall pay the cost of the fiscal part of the post audit
22 examination] **AS PROVIDED IN § 2–1220 OF THE STATE GOVERNMENT ARTICLE.**

23 10–401.

24 (c) “Corporation” means the Maryland Technology Development Corporation.

25 10–414.

26 The books and records of the Corporation are subject to audit:

27 (1) at any time by the State; and

1 (2) each year by an independent auditor [that the Office of Legislative
2 Audits approves].

3 10–501.

4 (f) “Corporation” means the Maryland Agricultural and Resource–Based
5 Industry Development Corporation.

6 10–526.

7 The books and records of the Corporation are subject to audit:

8 (1) by the State at its discretion; and

9 (2) each year by an independent auditor [approved by the Office of
10 Legislative Audits].

11 10–806.

12 (a) There is a Maryland Clean Energy Center.

13 10–825.

14 The books and records of the Center are subject to audit:

15 (1) at any time by the State; and

16 (2) each year by an independent auditor [that the Office of Legislative
17 Audits approves].

18 10–901.

19 (c) “Corporation” means the Maryland Public–Private Partnership Marketing
20 Corporation.

21 10–911.

22 The books and records of the Corporation are subject to audit:

23 (1) at any time by the State; and

24 (2) each year by an independent auditor [that the Office of Legislative
25 Audits approves].

26

1 16–315.

2 (b) Each community college in the State shall have an annual audit of its books
3 of accounts, accounting procedures and principles, and other fiscal and operational methods
4 and procedures in accordance with guidelines as prescribed by the Commission. A copy of
5 the audit report, together with the related management letter, shall be submitted to the
6 Commission for review and assessment and to the Legislative Auditor within 90 days of the
7 close of each fiscal year. The Commission shall ascertain that the community colleges are
8 audited in accordance with this section.

9 (f) An audit performed by an official auditor of any county or Baltimore City
10 approved by the Commission [with the concurrence of the Legislative Auditor] shall satisfy
11 the annual audit requirement if it otherwise meets the requirements of this section.

12 Article – Environment

13 9–1605.

14 (a) (1) There is a Maryland Water Quality Revolving Loan Fund. The Water
15 Quality Fund shall be maintained and administered by the Administration in accordance
16 with the provisions of this subtitle and such rules or program directives as the Secretary or
17 the Board may from time to time prescribe.

18 (6) The Water Quality Fund shall be subject to [biennial] audit by the
19 Office of Legislative Audits as provided for in § 2–1220 of the State Government Article.

20 9–1605.1.

21 (a) (1) There is a Maryland Drinking Water Revolving Loan Fund. The
22 Drinking Water Loan Fund shall be maintained and administered by the Administration
23 in accordance with the provisions of this subtitle and such rules or program directives as
24 the Secretary or the Board may from time to time prescribe.

25 (6) The Drinking Water Loan Fund shall be subject to [biennial] audit by
26 the Office of Legislative Audits as provided for in § 2–1220 of the State Government Article.

27 Article – Health – General

28 13–1303.

29 (d) (2) The [Office of Legislative Audits shall audit the] accounts and
30 transactions of the Governor’s Wellmobile Program **SHALL BE SUBJECT TO AUDIT BY THE**
31 **LEGISLATIVE AUDITOR** in accordance with §§ 2–1220 through 2–1227 of the State
32 Government Article.

33 13–2206.

1 (c) The [Office of Legislative Audits shall audit the] accounts and transactions of
2 the Child Abuse Medical Providers (Maryland CHAMP) Initiative **SHALL BE SUBJECT TO**
3 **AUDIT BY THE LEGISLATIVE AUDITOR** in accordance with §§ 2–1220 through 2–1227 of
4 the State Government Article.

5 19–201.

6 (b) “Commission” means the State Health Services Cost Review Commission.

7 (c) “Facility” means, whether operated for a profit or not:

8 (1) Any hospital; or

9 (2) Any related institution.

10 19–216.

11 (a) At the end of the fiscal year for a facility, at least 120 days following a merger
12 or a consolidation, and at any other interval that the Commission sets, the facility shall
13 file:

14 (1) A balance sheet that details its assets, liabilities, and net worth;

15 (2) A statement of income and expenses;

16 (3) The most recent Form 990 that the facility filed with the Internal
17 Revenue Service; and

18 (4) Any other report that the Commission requires about costs incurred in
19 providing services.

20 (b) (1) A report under this section shall:

21 (i) Be in the form that the Commission requires;

22 (ii) Conform to the uniform accounting and financial reporting
23 system adopted under this subtitle; and

24 (iii) Be certified [as follows:

25 1. For the University of Maryland Hospital, by the
26 Legislative Auditor; or

27 2. For any other facility, by its] **BY THE FACILITY’S** certified
28 public accountant.

Article – Health Occupations

1
2 14–402.

3 (f) The [Legislative Auditor shall every 2 years audit the accounts and
4 transactions of the] Physician Rehabilitation Program **IS SUBJECT TO AUDIT BY THE**
5 **LEGISLATIVE AUDITOR** as provided in § 2–1220 of the State Government Article.

Article – Human Services

6
7 11–101.

8 (c) “Corporation” means the Maryland Legal Services Corporation.

9 11–408.

10 (a) (2) For any fiscal year during which State funds are available to finance
11 any portion of the operations of the Corporation, the Legislative Auditor may audit the
12 financial transactions of the Corporation.

13 (b) (2) If owned or in use by the Corporation and necessary to facilitate the
14 audit, the Corporation shall make available to the Legislative Auditor all:

- 15 (i) books;
- 16 (ii) accounts;
- 17 (iii) financial records;
- 18 (iv) reports;
- 19 (v) files; and
- 20 (vi) other papers or property.

21 (4) Unless the Legislative Auditor requires a longer period of retention, the
22 items listed in paragraph (2) of this subsection shall remain in the possession and custody
23 of the Corporation for [3] 4 years.

Article – Local Government

24
25 30–102.

26 (a) There is a Baltimore City Police Department Death Relief Fund.

27 30–106.

1 (d) (1) The Fund shall be audited [regularly by the Legislative Auditor and]
2 from time to time by an independent certified public accountant that the Board retains.

3 Article – Natural Resources

4 3–302.

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

6 (e) The Legislative Auditor [shall] **MAY** conduct post audits of a fiscal and
7 compliance nature of the Fund and of the appropriations and expenditures made for the
8 purposes of this subtitle. The cost of the fiscal portion of the post audit examinations shall
9 be an operating cost of the Fund.

10 Article – Public Safety

11 1–309.

12 (f) (1) The Legislative Auditor [shall] **MAY** conduct fiscal/compliance audits of
13 the 9–1–1 Trust Fund and of the appropriations and disbursements made for purposes of
14 this subtitle.

15 2–514.

16 (a) On or before April 1, 2010, and on or before April 1 of every even-numbered
17 year thereafter, each local law enforcement unit shall report to the Governor's Office of
18 Crime Control and Prevention on the status of crime scene DNA collection and analysis in
19 its respective jurisdiction for the preceding calendar year, and the Department shall report
20 to the Governor's Office of Crime Control and Prevention on the status of crime scene DNA
21 collection statewide for the preceding calendar year, including:

22 (1) the crimes for which crime scene DNA evidence is routinely collected;

23 (2) the approximate number of crime scene DNA evidence samples
24 collected during the preceding year for each category of crime;

25 (3) the average time between crime scene DNA evidence collection and
26 analysis;

27 (4) the number of crime scene DNA evidence samples collected and not
28 analyzed at the time of the study;

29 (5) the number of crime scene DNA evidence samples submitted to the
30 statewide DNA data base during the preceding year; and

31 (6) the number of crime scene DNA evidence samples, including sexual
32 assault evidence, collected by hospitals in the county during the preceding year.

1 (b) [(1)] The Governor’s Office of Crime Control and Prevention shall compile
2 the information reported by the local law enforcement units and the Department under
3 subsection (a) of this section and [submit the information to the Office of Legislative Audits.

4 (2) The Office of Legislative Audits shall evaluate the information received
5 under paragraph (1) of this subsection and] submit an annual summary report to the
6 Governor and, in accordance with § 2–1246 of the State Government Article, the General
7 Assembly.

8 Article – Public Utilities

9 7–512.1.

10 (a) (1) The Commission shall establish an electric universal service program
11 to assist electric customers with annual incomes at or below 175% of the federal poverty
12 level.

13 (c) (4) The [Office of Legislative Audits shall conduct an audit of the] electric
14 universal service program [at least once every 3 years and shall report the results of the
15 audit] **SHALL BE SUBJECT TO AUDIT BY THE OFFICE OF LEGISLATIVE AUDITS** in
16 accordance with [§ 2–1224] **§§ 2–1220 THROUGH 2–1227** of the State Government Article.

17 Article – State Finance and Procurement

18 2–701.

19 In this subtitle, “ethnic affairs unit” means:

- 20 (1) the Commission on African American History and Culture;
- 21 (2) the Commission on Indian Affairs; and
- 22 (3) the Office of Asian–Pacific American Affairs.

23 2–702.

24 (b) An ethnic affairs unit receiving funds under this section shall be subject to [an
25 annual fiscal] audit by the Legislative Auditor **AS PROVIDED IN § 2–1220 OF THE STATE
26 GOVERNMENT ARTICLE.**

27 3A–506.

28 (g) (1) The Legislative Auditor [shall] **MAY** conduct postaudits of a fiscal and
29 compliance nature of the Universal Service Trust Fund and the expenditures made for
30 purposes of § 3A–504(a) of this subtitle and § 3A–602(a) of this title.

1 **Article – State Government**

2 2–1220.

3 (a) (1) In this subsection, “unit” includes each State department, agency, unit,
4 and program, including each clerk of court and each register of wills.

5 (2) (i) [At least once every 3 years, the] **THE** Office of Legislative
6 Audits shall conduct a fiscal/compliance audit of each unit of the State government, except
7 for units in the Legislative Branch.

8 **(II) THE AUDIT OF EACH UNIT SHALL BE CONDUCTED AT AN**
9 **INTERVAL RANGING FROM 3 TO 4 YEARS UNLESS THE LEGISLATIVE AUDITOR**
10 **DETERMINES, ON A CASE-BY-CASE BASIS, THAT MORE FREQUENT AUDITS ARE**
11 **REQUIRED.**

12 [(ii)] **(III)** In determining the audit [schedule] **INTERVAL** for a unit,
13 the Office of Legislative Audits shall take into consideration:

- 14 1. the materiality and risk of the unit’s fiscal activities with
15 respect to the State’s fiscal activities;
- 16 2. the complexity of the unit’s fiscal structure; and
- 17 3. the nature and extent of audit findings in the unit’s prior
18 audit reports.

19 [(iii)] **(IV)** Each agency or program may be audited separately or as
20 part of a larger organizational unit of State government.

21 (3) Performance audits or financial statement audits shall be conducted
22 when authorized by the Legislative Auditor, when directed by the Joint Audit Committee
23 or the Executive Director, or when otherwise required by law.

24 (4) (i) In addition to the audits required under paragraph (2) of this
25 subsection, the Office of Legislative Audits may conduct a review when the objectives of the
26 work to be performed can be satisfactorily fulfilled without conducting an audit as
27 prescribed in § 2–1221 of this subtitle.

28 (ii) 1. The Office of Legislative Audits has the authority to
29 conduct a separate investigation of an act or allegation of fraud, waste, or abuse in the
30 obligation, expenditure, receipt, or use of State resources.

1 2. The Legislative Auditor shall determine whether an
2 investigation shall be conducted in conjunction with an audit undertaken in accordance
3 with this subsection or separately.

4 (5) If, on request of the Comptroller, the Joint Audit Committee so directs,
5 the Office of Legislative Audits shall audit or review a claim that has been presented to the
6 Comptroller for payment of an expenditure or disbursement and that is alleged to have
7 been made by or for an officer or unit of the State government.

8 (6) The Office of Legislative Audits shall conduct an audit or review to
9 determine the accuracy of information about or procedures of a unit of the State
10 government, as directed by the Joint Audit Committee or the Executive Director.

11 (b) If the General Assembly, by resolution, or the Joint Audit Committee so
12 directs, the Office of Legislative Audits shall conduct an audit or review of a corporation or
13 association to which the General Assembly has appropriated money or that has received
14 funds from an appropriation from the State Treasury.

15 (c) The Office of Legislative Audits may audit any county officer or unit that
16 collects State taxes.

17 (d) (1) The Office of Legislative Audits shall review any audit report prepared
18 under the authority of:

19 (i) §§ 16–305 through 16–308 of the Local Government Article, with
20 respect to a county, municipal corporation, or taxing district; or

21 (ii) § 16–315 of the Education Article, with respect to a community
22 college.

23 (2) The results of any review made by the Office of Legislative Audits under
24 paragraph (1) of this subsection shall be reported as provided in § 2–1224 of this subtitle.

25 (e) (1) At least once every 6 years, the Office of Legislative Audits shall
26 conduct an audit of each local school system to evaluate the effectiveness and efficiency of
27 the financial management practices of the local school system.

28 (2) The audits may be performed concurrently or separately.

29 (3) The Office of Legislative Audits shall provide information regarding the
30 audit process to the local school system before the audit is conducted.

31 (f) (1) At least once every [3] 4 years, the Office of Legislative Audits shall
32 conduct a performance audit of the Board of Liquor License Commissioners for Baltimore
33 City to evaluate the effectiveness and efficiency of the management practices of the Board
34 and of the economy with which the Board uses resources.

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

3 9–101.

4 (b) “Agency” means the State Lottery and Gaming Control Agency.

5 (c) “Commission” means the State Lottery and Gaming Control Commission.

6 [9–121.

7 (a) (1) The Legislative Auditor shall audit the accounts and transactions of the
8 Agency as provided in § 2–1220 of this article.

9 (2) If the Legislative Auditor gives the Agency advance notice, the
10 Legislative Auditor may conduct annually a fiscal and compliance audit of the accounts and
11 transactions of the Agency.

12 (b) The Agency shall pay the cost of the fiscal part of each audit.]

13 9–1A–34.

14 [(a)] The Commission shall make an annual report to the Governor and, subject to
15 § 2–1246 of this article, to the General Assembly:

16 (1) on the operation and finances of the video lottery facilities;

17 (2) with the assistance of local police departments and the Department of
18 State Police, detailing the crimes that occur within the communities surrounding a video
19 lottery facility; and

20 (3) on the attainment of minority business participation goals specified for
21 licensees under § 9–1A–10(a)(1) and (2) of this subtitle and the efforts by licensees to
22 maintain those goals.

23 [(b) Each fiscal year the Legislative Auditor shall audit and evaluate the
24 information submitted to the Commission by licensees under subsection (a)(3) of this
25 section, with special emphasis on the licensee’s utilization of contractors across a broad
26 spectrum of its business activities, including those that are functionally related to the
27 gaming industry.]

28 9–1A–35.

29 (a) There is a Small, Minority, and Women–Owned Businesses Account under the
30 authority of the Board of Public Works.

1 (f) [Each fiscal year the] **THE** Legislative Auditor shall audit [and evaluate] the
2 utilization of the funds that are allocated to small, minority, and women-owned businesses
3 by eligible fund managers under subsection (c)(3) of this section **DURING AN AUDIT OF**
4 **THE APPLICABLE STATE UNIT AS PROVIDED IN § 2-1220 OF THIS ARTICLE.**

5 **Article – State Personnel and Pensions**

6 [21–127.

7 The Legislative Auditor:

8 (1) may conduct an annual or biennial fiscal and compliance audit of the
9 accounts and transactions of the several systems; and

10 (2) shall advise officials of the several systems whether the audit will be
11 annual or biennial.]

12 **Article – Transportation**

13 5–101.

14 (b) “Administration” means the Maryland Aviation Administration.

15 [5–215.1.

16 At his discretion, the Legislative Auditor may conduct an annual audit of a fiscal and
17 compliance nature of the accounts and transactions of the Administration in place of
18 conducting these audits on a biennial basis. Officials of the Administration shall be advised
19 whether annual or biennial audits will be conducted. The cost of the fiscal portion of the
20 post audit examinations shall be borne by the Administration.]

21 6–101.

22 (b) “Administration” means the Maryland Port Administration.

23 [6–212.1.

24 At his discretion, the Legislative Auditor may conduct an annual audit of a fiscal and
25 compliance nature of the accounts and transactions of the Administration in place of
26 conducting these audits on a biennial basis. Officials of the Administration shall be advised
27 whether annual or biennial audits will be conducted. The cost of the fiscal portion of the
28 post audit examinations shall be borne by the Administration.]

29 7–101.

30 (b) “Administration” means the Maryland Transit Administration.

1 [7-211.1.

2 At his discretion, the Legislative Auditor may conduct an annual audit of a fiscal and
3 compliance nature of the accounts and transactions of the Administration in place of
4 conducting these audits on a biennial basis. Officials of the Administration shall be advised
5 whether annual or biennial audits will be conducted. The cost of the fiscal portion of the
6 post audit examinations shall be borne by the Administration.]

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
8 1, 2016.