

HOUSE BILL 324

P5

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CF SB 301

By: **Chair, Joint Audit Committee**

Introduced and read first time: January 20, 2020

Assigned to: Appropriations

Committee Report: Favorable

House action: Adopted

Read second time: February 11, 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.