HOUSE BILL 324

P5

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By: **Chair, Joint Audit Committee** Introduced and read first time: January 20, 2020 Assigned to: Appropriations

A BILL ENTITLED

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 $\mathbf{5}$ 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 which the Office of Legislative Audits is required to conduct performance audits of 1011 the Board of Liquor License Commissioners for Baltimore City and the Board of 12Liquor 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)
- 24 BY repealing and reenacting, with amendments,
- 25 Article Public Safety
- 26 Section 1–309(f)
- 27 Annotated Code of Maryland
- 28 (2018 Replacement Volume and 2019 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



BY repealing and reenacting, with amendments, 1 $\mathbf{2}$ Article - State Finance and Procurement 3 Section 3A-506(g)Annotated Code of Maryland 4 $\mathbf{5}$ (2015 Replacement Volume and 2019 Supplement) BY repealing and reenacting, with amendments, 6 7 Article – State Government 8 Section 2-1220(f) and (g) 9 Annotated Code of Maryland 10 (2014 Replacement Volume and 2019 Supplement) 11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, 12That the Laws of Maryland read as follows: 13Article – Natural Resources 3 - 302. 14 There is an Environmental Trust Fund. 15(a) (1)16 (e) The Legislative Auditor may conduct post audits of a fiscal and compliance 17nature of the Fund and of the appropriations and expenditures made for the purposes of 18 this subtitle. The cost of the fiscal portion of the post audit examinations shall be an operating cost of the Fund.] 1920Article - Public Safety 1 - 309.2122[(1)] The Legislative Auditor may conduct fiscal/compliance audits of the (f) 9-1-1 Trust Fund and of the appropriations and disbursements made for purposes of this 2324subtitle. 25**(**2) The cost of the fiscal portion of the audits shall be paid from the 9-1-126Trust Fund as an administrative cost.] **Article – State Finance and Procurement** 27283A-506. 29[(1)] The Legislative Auditor may conduct postaudits of a fiscal and (g)

30 compliance nature of the Universal Service Trust Fund and the expenditures made for 31 purposes of § 3A–504(a) of this subtitle and §§ 3A–602(a) and 3A–702 of this title.

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

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Article – State Government

4 2-1220.

5 (f) (1) At least once every [4] 6 years, the Office of Legislative Audits shall 6 conduct a performance audit of the Board of Liquor License Commissioners for Baltimore 7 City to evaluate the effectiveness and efficiency of the management practices of the Board 8 and of the economy with which the Board uses resources.

9 (2) At any time on request of the President and the Speaker, the Office 10 shall conduct a performance audit of the local licensing board, as defined in § 1–101 of the 11 Alcoholic Beverages Article, for a county or for the City of Annapolis to evaluate the 12 effectiveness and efficiency of the management practices of the board and of the economy 13 with which the board uses resources.

14 (3) The performance audit shall focus on operations relating to liquor 15 inspections, licensing, disciplinary procedures, and management oversight.

16 (g) (1) Beginning on July 1, 2017, and at least once every [3] **6** years 17 thereafter, the Office of Legislative Audits shall conduct a performance audit of the Board 18 of License Commissioners for Prince George's County to evaluate the effectiveness and 19 efficiency of the management practices of the Board and of the economy with which the 20 Board uses resources.

21 (2) The performance audit shall focus on operations relating to liquor 22 inspections, licensing, disciplinary procedures, and management oversight.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
24 1, 2020.