
By: Delegates Kach, Holt, Klima, Rawlings, Slade, and Finifter

Introduced and read first time: February 2, 1996

Assigned to: Commerce and Government Matters

A BILL ENTITLED

1 AN ACT concerning

2 **State Agencies - Unsatisfactory Legislative Audits - Salary Reductions**

3 FOR the purpose of requiring the Governor to reduce by a certain percentage the salary
4 of the head of a State agency or a unit within a State agency that receives an
5 Unsatisfactory Rating from the Office of Legislative Audits; establishing that the
6 salary reduction shall take place for a certain period of time; prohibiting the head of
7 the agency or unit from receiving money withheld after the period terminates;
8 exempting certain individuals; defining certain terms; and generally relating to
9 agencies and legislative audits.

10 BY repealing and reenacting, without amendments,

11 Article - State Government
12 Section 2-1215(a)
13 Annotated Code of Maryland
14 (1995 Replacement Volume)

15 BY adding to

16 Article - State Government
17 Section 2-1223
18 Annotated Code of Maryland
19 (1995 Replacement Volume)

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

22 **Article - State Government**

23 2-1215.

24 (a) (1) In this subsection, "unit" includes each clerk of court and each register
25 of wills.

26 (2) (i) At least once every 2 years, the Office of Legislative Audits shall
27 audit each unit of the State government.

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

1 2. The Legislative Auditor shall determine whether an
2 investigation shall be conducted in conjunction with an audit undertaken in accordance
3 with subparagraph (i) of this paragraph or as a separate review.

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

8 (4) The Office of Legislative Audits shall determine the accuracy of
9 information about or procedures of a unit of the State government, as directed by the
10 Joint Budget and Audit Committee.

11 2-1223.

12 (A) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
13 INDICATED.

14 (1) "AGENCY" MEANS:

15 (I) ADMINISTRATION;

16 (II) BOARD;

17 (III) BUREAU;

18 (IV) COMMISSION; OR

19 (V) DEPARTMENT.

20 (2) "UNSATISFACTORY RATING" MEANS THE LOWEST RATING IN THE
21 ACCOUNTABILITY AND COMPLIANCE RATING SYSTEM OF THE OFFICE OF
22 LEGISLATIVE AUDITS.

23 (B) THIS SECTION DOES NOT APPLY TO:

24 (1) A PUBLIC OFFICER WHOSE TERM OF OFFICE IS ESTABLISHED BY
25 LAW TO BE 4 YEARS OR A PERIOD LESS THAN 4 YEARS; AND

26 (2) AN INDIVIDUAL WHO HAS BEEN THE HEAD OF A STATE AGENCY OR
27 A UNIT WITHIN A STATE AGENCY FOR 1 YEAR OR LESS.

28 (C) IF A STATE AGENCY OR A UNIT WITHIN A STATE AGENCY RECEIVES AN
29 UNSATISFACTORY RATING FROM THE OFFICE OF LEGISLATIVE AUDITS, THE
30 GOVERNOR SHALL REDUCE BY 10% THE SALARY OF THE HEAD OF THE AGENCY OR
31 UNIT THAT RECEIVED THE UNSATISFACTORY RATING.

32 (D) THE GOVERNOR SHALL BEGIN THE SALARY REDUCTION 20 DAYS AFTER
33 THE REPORT OF THE LEGISLATIVE AUDITOR AND SHALL TERMINATE THE SALARY
34 REDUCTION 200 DAYS AFTER THE REPORT OF THE LEGISLATIVE AUDITOR. MONEY
35 WITHHELD DURING THIS PERIOD MAY NOT BE PAID TO THE HEAD OF THE AGENCY
36 OR UNIT AFTER THE PERIOD TERMINATES.

37 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
38 October 1, 1996.

