
By: Delegate Rosenberg

Introduced and read first time: January 31, 1997

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 Local Governmental Entities and School Boards - Budget Review Program

3 FOR the purpose of establishing a Local Government and School Board Budget Review
4 Program in the Department of Budget and Management; specifying that the
5 Program is intended to assist local governmental entities and school boards to
6 manage budgets and improve the quality and efficiency of services by offering a
7 budget review of local governmental entities and school boards; specifying the
8 budget review process; and generally relating to the creation of the Local
9 Government and School Board Budget Review Program.

10 BY adding to

11 Article - State Finance and Procurement
12 Section 3-1001 through 3-1006, inclusive, to be under the new subtitle "Subtitle 10.
13 Local Government and School Board Budget Review Program"
14 Annotated Code of Maryland
15 (1995 Replacement Volume and 1996 Supplement)

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

18 **Article - State Finance and Procurement**

19 SUBTITLE 10. LOCAL GOVERNMENT AND SCHOOL BOARD BUDGET REVIEW
20 PROGRAM.

21 3-1001.

22 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
23 INDICATED.

24 (B) "LOCAL GOVERNMENTAL ENTITY" MEANS A COUNTY, A MUNICIPAL
25 CORPORATION, OR A SPECIAL TAXING DISTRICT.

26 (C) "PROGRAM" MEANS THE LOCAL GOVERNMENT AND SCHOOL BOARD
27 BUDGET REVIEW PROGRAM.

28 (D) "SCHOOL BOARD" MEANS:

29 (1) THE BOARD OF EDUCATION OF A COUNTY; OR

2

1 (2) THE BOARD OF SCHOOL COMMISSIONERS OF BALTIMORE CITY.

2 3-1002.

3 (A) THE GENERAL ASSEMBLY FINDS THAT A LOCAL GOVERNMENT AND
4 SCHOOL BOARD BUDGET REVIEW PROGRAM IS ESSENTIAL TO HELP LOCAL
5 GOVERNMENTAL ENTITIES AND SCHOOL BOARDS MANAGE BUDGETS AND IMPROVE
6 THE QUALITY AND EFFICIENCY OF SERVICES.

7 (B) IT IS THE INTENT OF THE GENERAL ASSEMBLY TO OFFER LOCAL
8 GOVERNMENTAL ENTITIES AND SCHOOL BOARDS THE SERVICES OF PROFESSIONAL
9 TEAMS SKILLED IN FISCAL MANAGEMENT.

10 3-1003.

11 %THERE IS A LOCAL GOVERNMENT AND SCHOOL BOARD BUDGET REVIEW
12 PROGRAM IN THE DEPARTMENT.

13 3-1004.

14 (A) AT THE REQUEST OF A MAJORITY OF THE MEMBERS OF THE GOVERNING
15 BODY OF A LOCAL GOVERNMENTAL ENTITY OR SCHOOL BOARD, AND AT NO COST
16 TO THE LOCAL GOVERNMENTAL ENTITY OR TO THE SCHOOL BOARD, THE
17 PROGRAM SHALL PROVIDE:

18 (1) AN OBJECTIVE BUDGET REVIEW AND EVALUATION OF THE LOCAL
19 GOVERNMENTAL ENTITY OR SCHOOL BOARD;

20 (2) AN ANALYSIS OF THE ISSUES AFFECTING THE COST OF LOCAL
21 SERVICES; AND

22 (3) RECOMMENDATIONS FOR CONTROLLING THE COST OF THE
23 SERVICES.

24 (B) (1) THE BUDGET REVIEW PROCESS SHALL INCLUDE:

25 (I) A STATISTICAL ANALYSIS OF THE LOCAL GOVERNMENTAL
26 ENTITY OR SCHOOL BOARD, INCLUDING A HISTORICAL REVIEW OF ANNUAL
27 FINANCIAL STATEMENTS, OPERATING BUDGETS, AND INDEPENDENT FINANCIAL
28 AUDITS; AND

29 (II) AN ANALYSIS OF COLLECTIVE BARGAINING AGREEMENTS,
30 PERSONNEL POLICIES, AND OTHER WRITTEN PROCEDURES.

31 (C) A TEAM OF FIELD ANALYSTS SHALL CONDUCT INTERVIEWS, PERSONALLY
32 VISIT APPROPRIATE FACILITIES, AND MAKE OBSERVATIONS RELATING TO THE
33 IMPLEMENTATION OF POLICIES AND PROCEDURES, AND THE EFFECTIVENESS OF
34 THE LOCAL GOVERNMENTAL ENTITY OR SCHOOL BOARD IN DELIVERING SERVICES.

35 3-1005.

36 (A) THE RESULTS OF THE BUDGET REVIEWS SHALL BE CONTAINED IN A
37 FINAL REPORT CONTAINING A FINANCIAL IMPACT STATEMENT, A REVIEW OF THE
38 BEST PRACTICES OF OTHER LOCAL GOVERNMENTAL ENTITIES OR SCHOOL BOARDS,

3

1 RECOMMENDATIONS FOR CHANGE, AND STATUTORY OR REGULATORY REFORM
2 ISSUES.

3 (B) THE REPORT SHALL BE PRESENTED AT A PUBLIC MEETING.

4 3-1006.

5 THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT THIS
6 SUBTITLE.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
8 October 1, 1997.