

**Department of Fiscal Services**  
Maryland General Assembly

**FISCAL NOTE**  
**Revised**

House Bill 1271 (Delegate Rawlings)  
Appropriations

Referred to Budget and Taxation

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**State Treasury - State Money - Definition**

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This amended bill provides that “State money,” for purposes of the deposit insurance, collateral, and reporting requirements under the State Finance and Procurement Article, includes funds held by a clerk of the court or register of wills.

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**Fiscal Summary**

**State Effect:** None. Any additional bank accounts that would be monitored by the State Treasurer’s Office could be handled with existing resources.

**Local Effect:** None.

**Small Business Effect:** None. The bill would not directly affect small businesses.

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**Fiscal Analysis**

**Background:** The State Treasurer has the authority to designate the financial institutions that may be used as depositories for State funds. To fulfill these responsibilities the Treasurer’s Office monitors the financial condition and activities of financial institutions within the State, and the collateral pledged to secure the related State funds on deposit. Currently, this authority does not extend to all funds held by a clerk of the court or a register of wills, since moneys that are not considered State funds are not subject to the Treasurer’s authority to procure or control the procurement of banking or financial services. Certain State agencies have voluntarily delegated their financial procurement and collateral monitoring responsibilities to the State Treasurer’s Office.

**State Effect:** The bill brings moneys in a bank account under the control of an employee or official of a clerk of the court or a register of wills under the authority of the State Treasurer's Office to designate the financial institutions that may be used. Trust and special purpose funds under the care, custody, and control of the clerks of the circuit courts alone totaled over \$27 million as of June 30, 1995. The monitoring of the additional accounts could be handled with existing resources by the State Treasurer's Office.

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**Information Source(s):** State Treasurer's Office, Office of the Comptroller, Department of Fiscal Services (Office of Legislative Audits)

**Fiscal Note History:** First Reader - February 24, 1997  
ncs Revised - House Third Reader - March 24, 1997

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